

# **EXHIBIT 15**





## Agenda

- Today's Objectives
- FY08 Priorities & Objectives
- Sales Comp Basics
  - Slopes and Accelerators
  - Weighted Performance Average
- FY08 Sales Comp Plans Overview

2 October 2007 HP Confidential

- Today's agenda includes a review of the objectives for this session.
- We will also cover:
  - FY08 Priorities & Objectives
  - Sales Comp Basics, which include information on slopes and accelerators and Weighted Performance Average calculation examples
  - We also provide updates on the FY08 Sales Comp Plans – what's changing and compensation plan descriptions






## Today's objectives

- Understand your business' imperatives for the year ahead & how they drive your incentive plan
- Understand plan elements & mechanics so that you know how you are being measured & what it takes to maximize your earning opportunity

3 October 2007 HP Confidential

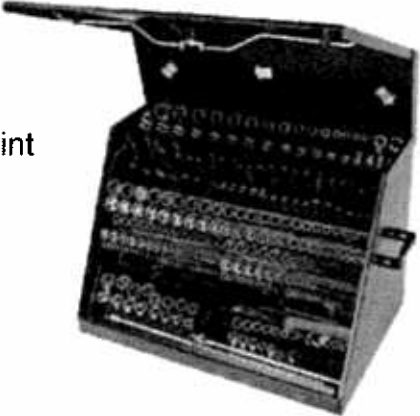
- Once you have completed this overview, you should:
- Have an understanding of the IPG Global business strategies for the year, and how they drive and your incentive plans, and
- Understand the plan elements and mechanics, so you know how you are being measured and what it takes to maximize earning potential





## Communication Tool Kit

- Sales Force
  - This recorded module available on Grow@HP
  - Downloadable PowerPoint Plan Slides



4    October 2007    HP Confidential

- Read slide



## Important notes

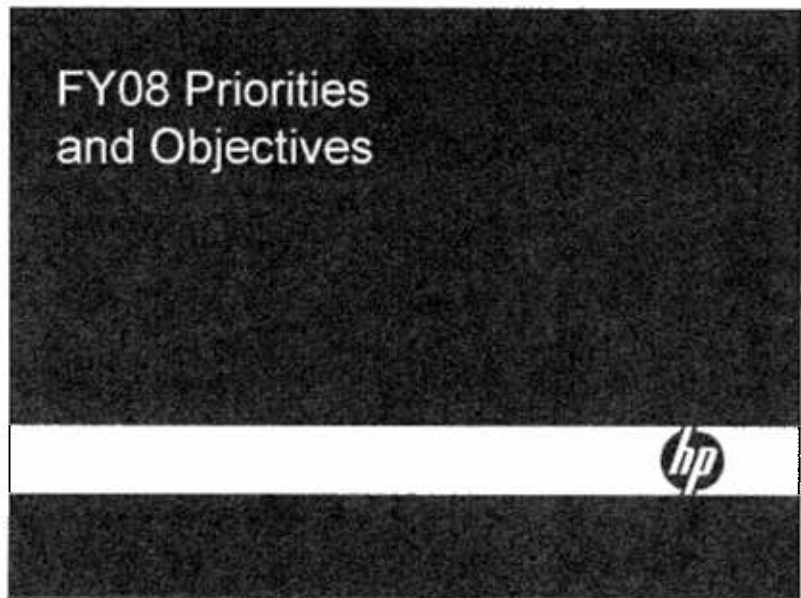
- This overview is to provide information for the compensation plans and key changes for FY08
- HP reserves the right to update (add, delete, modify) plans based on business needs throughout the year
- Sales employees should refer to their manager and to their individual Sales Letter to obtain the details of their specific plans
- Global Sales Compensation Policy is the governing document for Sales Compensation

Subject to local laws and consultations with Worker's Councils where legally required

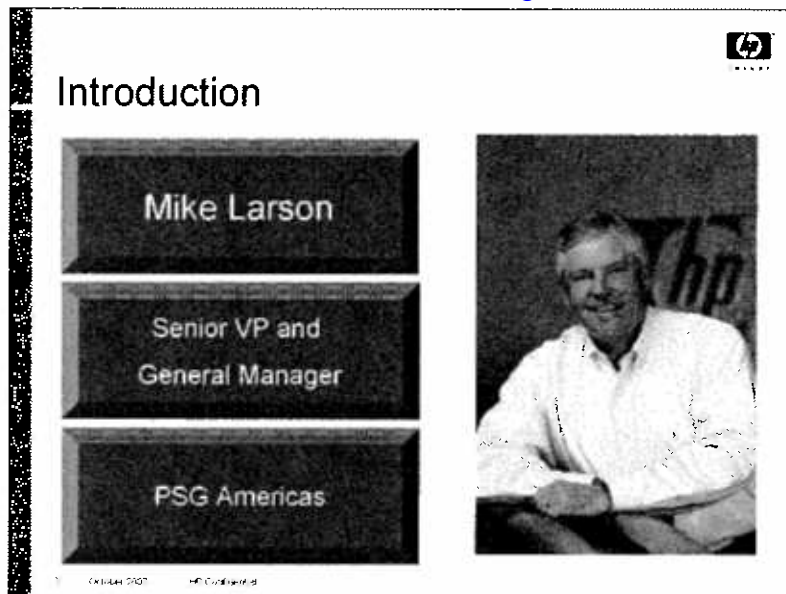
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- Please note that this overview is to provide an informational overview for the compensation plans and key changes for FY08
- HP reserves the right to update (add, delete, modify) plans based on business needs throughout the year (subject to local laws and consultations with Worker's Councils where legally required.)
- Sales employees should refer to their manager and to their individual Sales Letter to obtain the details of their specific plans
- The Global Sales Compensation Policy is the governing document for Sales Compensation. For your convenience, there is a short set of reference material available via a download on the entry page of Grow@hp so that you may easily hyperlink to the policy and other important reference information.



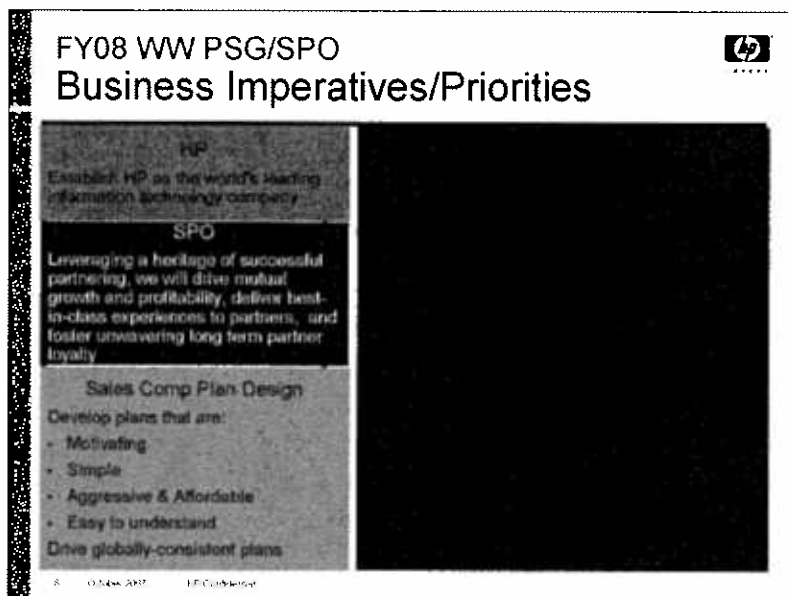


- Next a few words from Mike Larson



- Hello Everyone, this is Mike Larson
- I'd like to welcome everyone and personally thank you for committing the time to review this important sales compensation information
- I want to ensure that you receive the information you need to understand how you will be measured throughout the year, and how to maximize your potential earnings.
- I'd like to first take a minute to review the PSG business priorities for the coming year, as these priorities are the driving force behind our sales compensation plans





- As you can see our Corporate and PSG business priorities remain virtually unchanged ... "Establish HP as the world's leading information technology company and drive profitable growth across PSG businesses."
- In regard to Sales Comp Plan Design – we are working to develop plans that are motivating, simple, aggressive & affordable, plus most importantly easy to understand. And overall we are driving global consistent plans
- Our SPO Sales Imperatives focus on Growth, Reward and Predictability
  - In the area of growth we want to focus on increasing penetration of the mid-market. As well as driving hp preference to the final tier through competitive incentives and enablers. We should always leverage solutions and vertical channel expertise wherever possible.
  - The second area of focus is "reward" – we want to effectively reward sales reps and partners for selling across the portfolio. And where needed, shift partners from infrastructure fulfilment to solution delivery.
  - And our last SPO Sales Imperative is around predictability, in order to increase revenue and corner the market place we must "make it easy to do business with HP"
- So how do we support these priorities? Simply put, by building the best sales force in the IT industry
- And a vital aspect of building the best IT sales force is ensuring we have in place a SC Plan that is both challenging and rewarding.
- I believe we have such plans in place for FY08
- Additionally, we've established PSG Sales priorities that tie in with our compensation plans
- As I said earlier, I stand by and support the sales comp plans we've developed for FY08 – I believe they're both fair and rewarding, and support our company goals and priorities.
- Your sales manager will be scheduling time in early November to review your individual sales comp plan with you to ensure you know how you will be measured for the year. I encourage you to take the opportunity to ask any clarifying questions you may have about your plan at that time.
- Thanks for your time and attention and for a great fiscal 07 performance. I'm counting on each of you to get us off to a fast start for fiscal 08, let's make it happen.



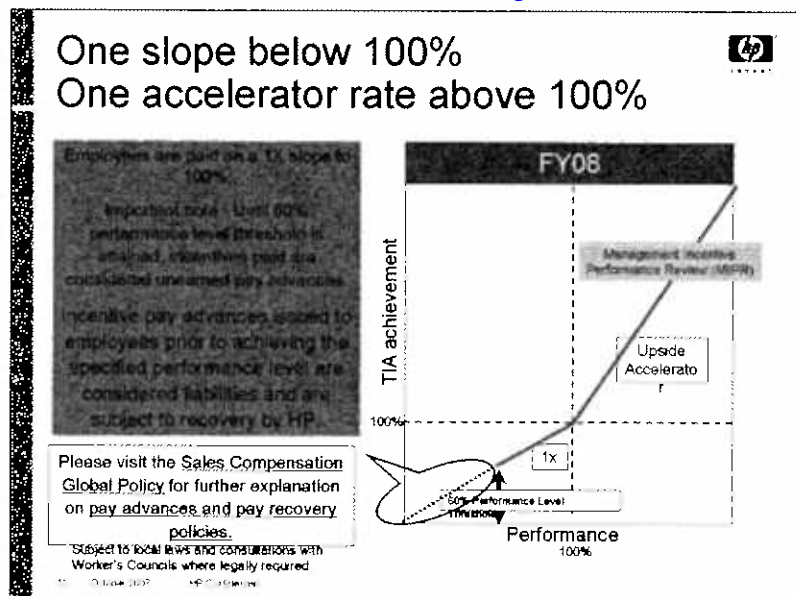
## Supporting the PSG Business Priorities

- Building the BEST Sales Force in the IT Industry
- PSG Sales Priorities align with Sales Comp Plans
- Sales Manager review of individual Compensation Plans in early November
- Let's make it happen!



## Sales Comp Basics Accelerators & Slopes

- We'd like to now spend a couple of minutes reviewing accelerators and slopes and how they work in our sales compensation plans



- This slide illustrates the simple slope and accelerator model for FY08.
- As you can see, there is only one level of slope below 100% performance.
- Likewise, there is a single accelerator above 100% performance.
- Note that the accelerator rate could be one of several, but there will be only one per sales rep.
- This approach was introduced in FY07 and continues in FY08 to keep the plan simple and make it easier and simpler for sales reps to calculate their potential payout.
- Please also note that until 60% performance level threshold is attained, incentives paid are considered unearned pay advances.
- Incentive pay advances issued to employees prior to achieving the specified performance level are considered liabilities and are subject to recovery by HP. More on the topic of pay advances can be found in the Sales Compensation Global Policy



## Performance level threshold definition

- As described in the Global Sales Compensation Policy, Performance Level Pay Advances, when applicable, are described in the Sales Letter provided to sales employee.
- Recovery of Pay Advances: Pay advances are considered liabilities and are subject to recovery by HP.
- The “performance level threshold” is the stated performance level threshold the sales employee must meet prior to earning the incentive pay that was issued as a pay advance.

12 October 2007 HP Confidential

- In review, the “performance level threshold” is the stated performance level threshold the sales employee must meet prior to earning the incentive pay that was issued as a pay advance. If the performance threshold is not achieved, the advance pay is subject to recovery by HP



## Your incentive calculation

- The following sections contains examples on calculating incentive earnings

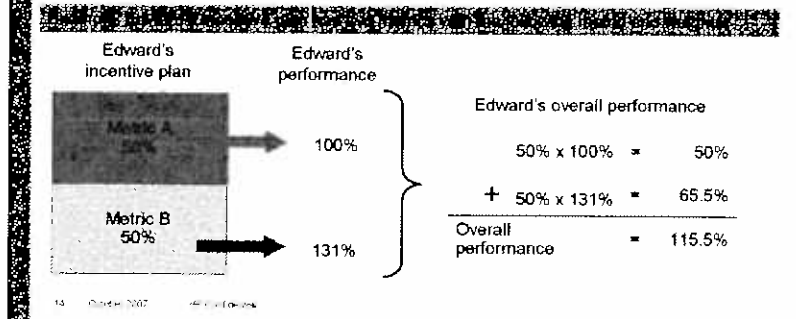


## Calculating your performance

Performance = actual sales divided by quota = XX%

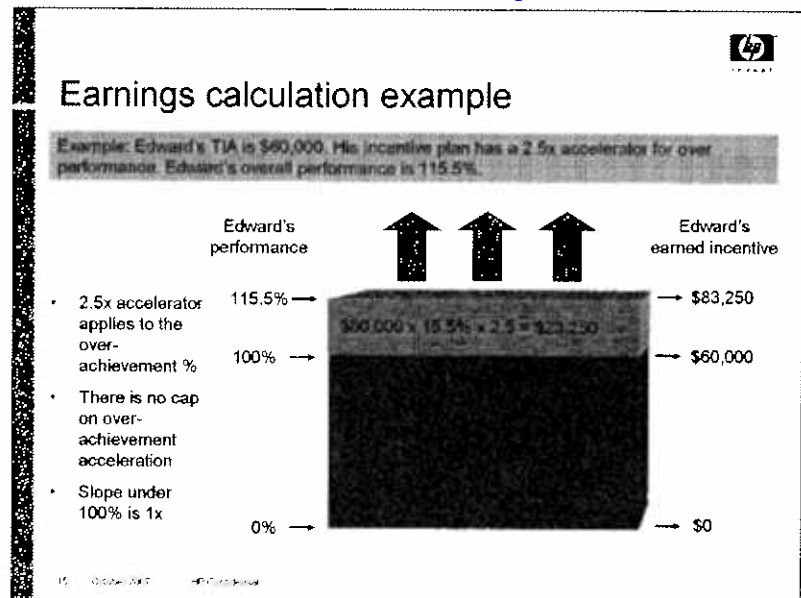
For plans with multiple metrics, your overall performance is the weighted average performance

Thresholds, slopes and accelerators apply to your overall performance



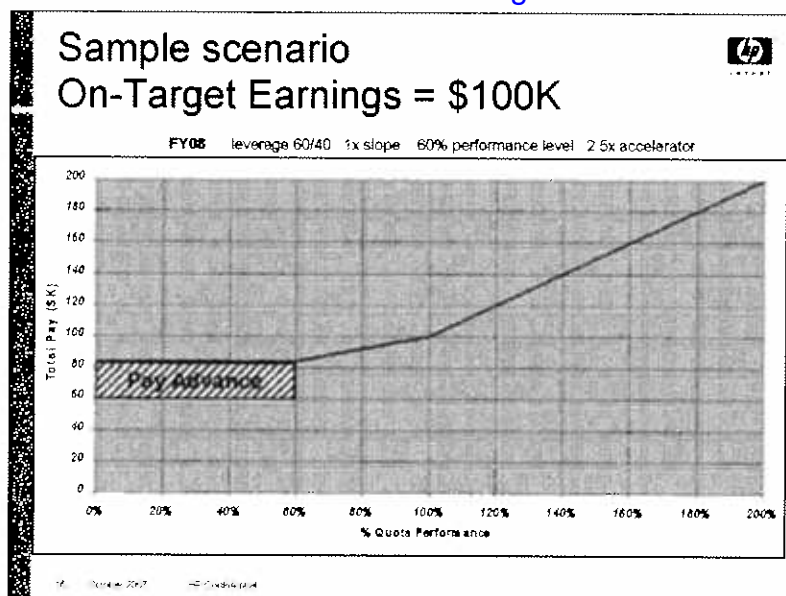
- This information reflects how the weighted average approach will be implemented. Each metric performance is calculated by the metric weighting with each result added together. Pay is calculated on this overall result, not metric by metric.





- Here's an additional example. In this case, Edward's TIA or, Target Incentive Amount, is \$60,000. His incentive plan has a 2.5x accelerator for over performance. Edward's overall performance is 115.5%.





- To see how these play out in a real situation, let's take a look at a an earnings example involving on-target earnings of \$100K.
- The flat line in this example is at 84k because:
  - 100k OTE with a 60/40 mix means that base is 60 and Target Incentive Amount (TIA) is 40.
  - The pay advance performance threshold is set at 60% of Quota Attainment or 60% TIA.
    - $60\% \times 40k = 24k$
    - $60k \text{ (base)} + 24k \text{ (pay advance)} = 84k$
  - The line is flat between 0 and 60% -- sales reps are accountable for achieving 60% of their on-target earnings
  - If they do not achieve the 60%, the Pay Advance or Draw paid will be fully recoverable
- People who exceed their targets can earn substantially more
- If they perform over 100% of targets, they will only have to remember one accelerator rate
- *Please Note: this is one example. Results will vary based on OTE and sales plan.*

FY08 AMS PSG SPO  
Sales Incentive Plan  
Overview



## Summary of Changes – FY07 to FY08



Group	Bus Requirement	FY08 Design Change
US	New business initiatives.	• Modified Workstation Specialist
	• Sell to Data Center Managers – new market segment	• New Data Center Specialist plan
	• Focus Workstation Specialists on Cash Register market segment	• New Business PC Specialist
	• Measure closest to the rep	• Individual quota assignment where appropriate
Canada	• Align Generalist and Specialist responsibilities where appropriate	• Assigned similar PLs
	• Simplify	• PBMs and Specialists have identical Attach PLs
	• Adopt focused plans to sales deployment model: – Mix of territory and account responsibilities for both generalists and specialists	• 2 new Territory/Account plans
	• Improve focus on Supplies	• Include supplies in Canada plans
LA	• Adopt focused plans for sales deployment model	• ESS & HPS Hybrid Specialist • Workstation Specialist
All Regions	• Simplify plan design and administration	• Inactivated 20 plan titles

- A summary of the changes from FY07 to FY08 are shown here.
- Next, please feel free to review the plans for your region or country

## SPO

### Global Sales roles



Global Sales Title	Region	BG Sales Role Match
Account Manager	All	Partner Business Manager - Volume or Value
	All	Partner Business Manager - Hybrid Volume & Value
	APJ	Partner Business Manager - Balanced Volume & Value
	APJ	- new -
	Canada	Partner Business Manager - Channel Telesales
Product Specialist	All	Partner Business Manager - Territory
	All	Partner Sales Specialist (ESS, HPS, IPG, PSG, ISS, BCS, SWD, PNB)
	APJ/EMEA	Partner Sales Specialist - Hybrid - new -
	AMS/EMEA	Lead Specialist - *PSG, IPG, ESS, ISS, SWD
	US	TSG Non-Head Specialist - HPS, SWD, ISS, BCS
Sales Mgt	Canada	Partner Sales Specialist (ESS, PSG) - Territory
	All	SPO Managers - Standard
	All	SPO Managers - Growth Focus
		Sales VP

19 - October 2007 HP Confidential

- For SPO, here's an overview of the Global Sales Roles and highlights two new roles for FY08 in Canada. Please take a moment to review the sales roles in your region or country.

## Partner Design Center

### SPO Global Sales roles & description



Role	Primary Focus	Description
Account Mgmt	PBM - Value or Volume	PBM managing 1st tier or 2nd tier partners in a defined territory with responsibility over Value PLs in TSG or over Volume PLs across BGs
Account Mgmt	PBM - Hybrid Value & Volume Generalist	PBM managing 1st tier or 2nd tier partners in a defined territory with responsibility over Volume and Value PLs across BGs
Account Mgmt	PBM - Balanced	PBM managing 1st tier or 2nd tier partners in a defined territory with responsibility over Volume PLs across BGs
Account Mgmt	PBM - Territory	Canada only. Covers both Named partner accounts and partner accounts within assigned territory
Account Mgmt - Inside sales	PBM - Channel Telesales	Inside Sales reps supporting assigned partners and partners in defined territory with responsibility over Volume and/or Value PLs across BGs
Specialist	Partner Sales Specialists	Partner reps specializing in 1 BG products in a defined territory/country
Specialist	Partner Sales Specialist - Hybrid	Partner reps specializing in two BG products where weighting between the two BG's needs to be balanced
Specialist	Partner Sales Specialist - Territory	Canada only. Specialist that covers both territory and named partner accounts
Specialist	Lead Specialists	US and EMEA. Partner reps lead in 1 BG product in defined territory. Serve as primary partner liaison, with responsibility for driving the cross-BG portfolio with partners outside of their assigned business unit specialty. Primary TL lead to specialty PL/BG and secondary TL lead to all BG for their assigned partners. US Channel Engagement managers adopt PBM Lead specialist sales plan
Specialist	TSG Non-lead Specialists	US only. Partner reps focus on 1 specialty in TSG and with secondary metric on all TSG revenue
Account Mgmt or Country Mgmt	Sales Manager/Director to PBM, PSS and/or Inside Sales	Region/Sub region/ country sales leadership SPO
Sales VP	Sales VP	Region/Sub region/ country sales leadership SPO

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- This slide provides an additional brief description of the sales roles.
- Again, take a moment to review the sales role descriptions for your region or country.




FY08 PSG SPO  
Sales Incentive Plans  
Canada



## How to read the plan info...

PSG SPO Spec – PSG Acct/Terr CA

Sales Role 

RCSH811

Transaction  
Type (Ship, Ord,  
Rev or GM)

Assignment  
Type (Account  
or Geo)

Fulfillment Type  
(Direct and/or  
Indirect)

Plan Name	WT	A/G	DT (Fulfillment)	Plan Name	PSG Comm	PSG Comm, PSG Cons
PSG SPO PSG Acct Rev 2	50	A	I		List of PL's quota/credit on the plan	List of PL's quota/credit on the plan
PSG SPO Terr Rev 2	25	G	UD			
PSG SPO PSG Attach AM3	25	A/G	UD			

Perf Period	Semi-Annual
Accelerator Rate	2.5x
Performance level threshold	60%
Notes:	New FY08 Canada PSG Specialist plan

The "performance level threshold" is the stated performance level threshold the sales employee must meet prior to earning the incentive pay that was issued as a pay advance.

22    November 2007    HP Confidential

- Now that we have reviewed the business priorities, design priorities, sales roles, and summary of changes, we will review the Sales Comp Plans for FY08
- First, please take a few minutes to familiarize yourself with how to read the plan slides

# AMS Solutions Partner Organization PSG SPO Generalist - Acct/Terr CA



RCSH817A

Metric Name	WT	A/G	DM (fulfillment)
PSG SPO Acct Rev	50	A	I
PSG SPO Terr Rev	25	G	UD
PSG SPO Attach	25	G	DM

Part Period	Semi-Annual
Accelerator Rate	2.5x
Performance Level threshold	60%
Notes	New FY06 Canada CSP plan

Attach Metric	PL Definition
Rev Metric	PL's SL, 4U, 06, 23, 72, LK, JN, R6, 1Y, 3C, U, LL
HPB Metric	PL's TG, 4J, JN, R4, 06, 72, R6
PSG Metric	PL's 3P, MP, 5H, 5J, MG, DO, TB
3Pb Metric	PL's AK, C5, DU, TT, 2A, R4, 6A, 9C

Rev Metric	PSG, MS, SW, PSG Comm, IPG Comm, IPG Tech Svcs, Mgt Svcs, PMB, IPG Supplies	BCS, MS, SWD, SW, PSG Comm, IPG Comm, IPG, Tech Svcs, Mgt Svcs, PMB, IPG Supplies, PSG Cons
Rev	BCS-1X, 23, 61, 2M, HA, NW, TO, TR RS 4U, LA, MV, SL, SY, TN SWD 1Y, 3C, U, L, LK, LL, LM, LN, TA SW 2K, LH, TH, TK, 32, 33, 87, 2E, 86, TE, TF, TG, 26, 26, 2P, BL, EF, D3 PSG Comm 21, 2C, 6X, 7F, 9F, 9H, 9J, AN, 9C, 9Q, MG, MP, TA, TB IPG Comm 27, 2A, 2B, 2N, 2O, 30, 4X, 5M, 6A, 7T, A3, 8A, 9C, A5, AK, C2, C5, DA, DE, DL, JP, DU, HO, K, N, KP, KS, LF, LY, M3, MA, MB, MC, PG, T6, T8, T2, 2D, T4, W5 Technology Svcs 06, 2P, 4J, 72, 7G, JN, R4, R7, R8 Managed Svcs (PL's 24, 25 SL only) PMB (PL 6H) Supplies 1N, AU, 5Y	BCS 1X, 23, 61, 2M, HA, NW, TO, TR RS 4U, LA, MV, SL, SY, TN SWD 1Y, 3C, U, L, LK, LL, LM, LN, TA SW 2K, LH, TH, TK, 32, 33, 87, 2E, 86, TE, TF, TG, 26, 26, 2P, BL, EF, D3 PSG Comm 21, 2C, 6X, 7F, 9F, 9H, 9J, AN, DO, BO, MG, MP, TA, TB IPG Comm 27, 2A, 2B, 2N, 2O, 30, 4X, 5M, 6A, 7T, 83, 8A, 9C, A5, AK, C2, C5, DA, DE, DL, JP, DU, HO, K, N, KP, KS, LF, LY, M3, MA, MB, MC, PG, T6, T8, T2, 2D, T4, W5 Technology Svcs 06, 2P, 4J, 72, 7G, JN, R4, R7, R8 Managed Svcs (PL's 24, 25 SL only) PMB (PL 6H) Supplies 1N, AU, 5Y PSG Consumer 9G, KV, 2G, 2H, 6J

23 October 2007 HP Confidential







Metric Name	Wt	A/G	Dt (fulltime ml)
PSG SPO Acad Rev	50	A	1
PSG SPO Inst Rev	25	G	1
PSG SPO Attach	25	G	1

Part Period	Semi-Annual
Acceptance Ratio	2.5x
Portfolio Weight Target Benchmarked	60%
Notes:	New FY08 Canada CSP Distribution plan

Albino Electric	PL D60000000
BBB Electric	PL'S 81, 4U, 06, 23, 72 LK, JN, RS, 1Y, 3C, LI, LL
CCC Electric	PL'S 73, 4J, JN, R4, 06, 72, R8
DDD Electric	PL'S 9P, MP, 9H, 3J, MG, 8C, TB
EEE Electric	PL'S AK, C8, DJ, 7T, 2A, R4, 6A, 9C

PCB1 PCB2 PCB3 PCB4 PCB5 PCB6 PCB7 PCB8 PCB9 PCB10 PCB11 PCB12 PCB13 PCB14 PCB15 PCB16 PCB17 PCB18 PCB19 PCB20 PCB21 PCB22 PCB23 PCB24 PCB25 PCB26 PCB27 PCB28 PCB29 PCB30 PCB31 PCB32 PCB33 PCB34 PCB35 PCB36 PCB37 PCB38 PCB39 PCB40 PCB41 PCB42 PCB43 PCB44 PCB45 PCB46 PCB47 PCB48 PCB49 PCB50 PCB51 PCB52 PCB53 PCB54 PCB55 PCB56 PCB57 PCB58 PCB59 PCB60 PCB61 PCB62 PCB63 PCB64 PCB65 PCB66 PCB67 PCB68 PCB69 PCB70 PCB71 PCB72 PCB73 PCB74 PCB75 PCB76 PCB77 PCB78 PCB79 PCB80 PCB81 PCB82 PCB83 PCB84 PCB85 PCB86 PCB87 PCB88 PCB89 PCB90 PCB91 PCB92 PCB93 PCB94 PCB95 PCB96 PCB97 PCB98 PCB99 PCB100	<p>BCS, RB, SW, PSB CON, PPG, CON, PPG Tech Bcs, Mdg Bvcs PMB, PPG Supplies</p> <p>BCS FL 23, 61, 2M HA, AM, TO, TK</p> <p>SS 4U, LA, MV, SI, SY, TN</p> <p>SWD 1Y, 3C, LL, LA, LK, LL, LM, LA, TA</p> <p>SW 2KLH, TH, TK, 32, 33, 87, 2E, RG, TE, TP, TO, 26, 27, 8L, OF, D3</p> <p>PPG CON, 21, 20, 5X, 7F, 9F, 8J, 9J, AN, BO, RG, MG, MP, TA, TB</p> <p>PPG CON:</p> <p>27, 2A, 2B, 2N, 2O, 36, 4X, 6A, 7T, 8B, 9A, 9C, AK, C2, C3, D4, D5, P, 8L, 9M, 9K, 2C, 2D, 2E, 2F, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100</p> <p>Technology SW 06, 2P, 4J, 72, 73, 74, 75, 76, 77, 78</p> <p>Managed SW (PL1, 24, 25, 26, only)</p> <p>PMB (PL 6H)</p> <p>Supplies 1N, AU, 5T</p>	<p>BCS, RB, SW, SW, PSB CON, PPG CON, PPG Tech Bcs, Mdg Bvcs PMB, PPG Supplies, PPG CON</p> <p>BCG 1A, 23, 61, 2M HA, AM, TO, TK</p> <p>SS 4U, LA, MV, SI, SY, TN</p> <p>SWD 1Y, 3C, LL, LA, LK, LL, LM, LA, TA</p> <p>SW 2K, LM, TH, TK, 32, 33, 87, 2E, RS, TE, TP, TO, 26, 27, 8L, OF, D3</p> <p>PPG CON, 21, 20, 5X, 7F, 9F, 8J, 9J, AN, BO, RG, MG, MP, TA, TB</p> <p>PPG CON:</p> <p>27, 2A, 2B, 2N, 2O, 36, 4X, 6A, 7T, 8B, 9A, 9C, AK, C2, C3, D4, D5, P, 8L, 9M, 9K, 2C, 2D, 2E, 2F, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78</p> <p>Technology SW 06, 2P, 4J, 72, 73, 74, 75, 76, 77, 78</p> <p>Managed SW (PL, 24, 25, 26, only)</p> <p>PMB (PL 6H)</p> <p>Supplies 1N, AU, 5T</p> <p>PPG CON, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78</p>
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AMS Solutions Partner Organization  
PSG SPO Spec – PSG Acct/Terr CA



RCSH811

Metric Name	Wt	Avg	D1 (fulfillment)
PSG SPO-PSG And Rev 2	50	A	I
PSG SPO Terr Rev 2	25	G	1/D
PSG SPO-PSG Attach AMS	25	AAG	1/D

Buy Metric Description	PSG Comm	PSG Comm, PSG Cons
	PSG Comm: 21, 2C, 5X, 7F, 9F, 9H, 9J, AN, BO, BO, MG, MP, TA, TB	PSG Comm: 21, 2C, 5X, 7F, 9F, 9H, 9J, AN, BO, BO, MG, MP, TA, TB PSG Consumer 9G, KV, 2G, 2H, 6J

Perf Period	Semi-Annual
Accelerator Rate	2.5x
Performance level threshold	80%
Notes:	New FY06 Canada PSG Specialist plan

PSG SPO-PSG Attach AMS	PL's 9F, MP, 9H, 9J, MG, BO, TB
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25 - Canada 2107 HP Confidential



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## PSG SPO Spec - IPG Acct/Terr CA

RCSH816



Metric Name	Wt	Avg	D1 (fulfillment)
PSG SPO Acct Rev 3	50	A	I
PSG SPO Terr Rev 3	25	G	I
PSG SPO IPG Attach AMS	25	Avg	I

Part Period	Semi-Annual
Accelerator Rate	2.5x
Performance level threshold	60%
Notes:	New FY06 Canada PSG Specialist plan

IPG Comm, IPG Supplies	IPG Comm, IPG Supplies
IPG Comm: 27, 2A, 2B, 2N, 2O, 30 4X, 5M, 6A, 7T, 83 A, 9C, AS, AK, C2, C5, DA, DE, DL, JP, DU, H Q, KN, KP, KS, LF, LY M3, MA, MB, MC, PQ T5, T8, T2, 2D, T4, WS Supplies: 1N, AU, 5T	IPG Comm: 27, 2A, 2B, 2N, 2O, 3 0, 4X, 5M, 6A, 7T, 83 8A, 9C, AS, AK, C2, C 5, DA, DE, DL, JP, DU HQ, KN, KP, KS, LF LY, M3, MA, MB, MC, PQ, T5, T8, T2, 2D, T4, WS Supplies: 1N, AU, 5T

PL's AK, C5, DU, 7T, 2A, R4, 6A, 9C
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26 October 2007 HP Confidential



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PSG SPO Spec - ESS Acct/Terr CA



RCSH814

Metric Name	Wt	A/G	Dt (fulfillment)
PSG SPO-ESS Acct Rev	50	A	I
PSG SPO-ESS Terr Rev	25	G	I/D
PSG SPO-ESS Attach AMS	25	A/G	I/D

Perf Period	Semi-Annual
Accelerator Rate	2.5x
Performance level Threshold	60%
Notes	New FY08 Canada ESS Specialist plan

Rev Metric Description	BCS, SWD, ISS IPG Supplies	BCS, SWD, ISS IPG Supplies
	BCS: 1X, 23, 61, 2M, HA, NW, TQ, TR SWD: 1Y, 3C, LI, LJ, LK, LL, LM, LN, 7A ISS: 4U, LA, MV, SI, SY, TN Technology Svcs (PL's 06, 72, JN, R8 only)	BCS: 1X, 23, 61, 2M, HA, NW, TQ, TR SWD: 1Y, 3C, LI, LJ, LK, LL, LM, LN, 7A ISS: 4U, LA, MV, SI, SY, TN Technology Svcs (PL's 06, 72, JN, R8 only)

PL's SI, 4U, 06, 23, 72, LK, JN, R8, 1Y, 3C, LI, LL
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27 17 Nov 2007 HP Confidential



## AMS Solutions Partner Organization

## PSG SPO Generalist - Vol PBM CA



GCSH802

Metric Name	Wt	A/G	DI (Fulfillment)
PSG SPO Vol Accel Rev	50	A	I
PSG SPO VAW Accel Rev	25	A	I
PSG SPO PBM ESS Attach AMS	6.25	A/G	DI
PSG SPO PBM HPS Attach AMS	6.25	A/G	DI
PSG SPO PBM PSG Attach AMS	6.25	A/G	DI
PSG SPO PBM IPG Attach AMS	6.25	A/G	DI

Rev Metric Description	ISS, IPG Comm, IPG Supplies, PSG Comm	BCS, SWD, SW, Tech Svcs, Mgd Svcs, PNB
	ISS 4U, LA, MV, SI, SY, TN IPG Comm: 27, 2A, 2B, 2N, 2O, 3C, 4X, 5, M, 5A, 7T, 83, 8A, 9C, A5, AK, C2, C5, DA, DE, DL, JP, DU, HQ, KN, KP, KS, LF, LY, M3, MA, MB, MC, PQ, T5, T8, T2, 2D, T4, WS IPG Supplies: 1N, AU, 5T PSG Comm: 21, 2C, 5X, 7F, 9F, 9H, 9J, AN, BO, BQ, MG, MP, TA, TB	BCS: 1X, 23, 81, 2M, HA, MW, TQ, TR SWD: 1Y, 3C, LI, LJ, LK, LL, LM, LN, 7A SW: 2K, LH, TH, TK, 32, 33, 87, 2E, 8S, TE, TF, TG, 26, 2F, 8L, EF, D3 Technology Svcs: 06, 2P, 4J, 72, 7G, JN, R4, R7, R8 Managed Svcs (PL's 24, 25 SL only) PNB (PL 5H)

Perf Period	Semi-Annual
Acceleration Rate	2.5x, 5.0x (depending on quota size)
Performance level threshold	60%

Altmetric Metric	PL Definitions
ISS Metric	PL's SI, 4U, 9E, 23, 72, LK, JN, R6, 1Y, 3C, LI, LL
IPG Metric	PL's 7G, 4J, JN, RA, 06, 72, R9
PSG Metric	PL's 9F, MP, 9H, 9J, MG, BO, TB
SPG Metric	PL's AK, C5, DU, 7T, 2A, R4, 8A, 9C



## AMS Solutions Partner Organization

## PSG SPO Lead Spec - ESS CA



GCSH843

Metric Name	Wt	AVG	DI (fulfillment)
PSG SPO ESS Rev Act CA	50	A	1
PSG SPO ESS Rev Ten CA	25	G	UD
PSG SPO PBM ESS Attach AMS	6.25	AVG	UD
PSG SPO PBM HPS Attach AMS	6.25	AVG	UD
PSG SPO PBM PSG Attach AMS	6.25	AVG	UD
PSG SPO PBM IPG Attach AMS	6.25	AVG	UD

Part Period	Semi-Annual
Accelerator Rate	2.5x
Performance level threshold	60%

Rev Metric Development	BCS, ISS, SWD, SW, Tech Svcs, Mgd Svcs, PNB, PSG Comm, IPG Comm, IPG Supplies	BCS, ISS, SWD, Tech Svcs
	BCS 1X, 23, 61, 2M, HA, NW, TQ, TR ISS 4U, LA, MV, SI, SY, TN SWD 1Y, 3C, LI, LJ, LK, LL, LM, LN, TA SW 2K, LH, TH, TK, 3Z, 3J, 87, 2E, 4S, TF, TT, TG, 24, 2F, 8L, 8F, D3 PSG Comm: 21, 2C, 5X, 7F, 9F, 9H, 9J, AN, BO, 8G, MG, MP, TA, TB IPG Comm: 27, 2A, 2B, 2N, 2O, 3O, 4X, 5M, 6A, 7T, 83, 8A, 9 CAB, AK, CQ, CS, DA, DE, DL, JP, DU, HO, XN, KP, XS, LJ, LY, MG, MA, MB, MC, PD, T6, T8, T2, 2D, T4, WS Technology Svcs 06, 2P, 4J, 72, 7G, JN, R4, R7, R8 Managed Svcs (PL's 24, 25, 8L only) PNB (PL 6H) Supplies 1N, AU, 5T	BCS 1X, 23, 61, 2M, HA, NW, TQ, TR ISS 4U, LA, MV, SI, SY, TN SWD 1Y, 3C, LI, LJ, LK, LL, LM, LN, TA Technology Svcs 06, 72, JN, R8

Attach Metric	PL Definitions
ESS Metric	PL's 3I, 4U, 06, 23, 72, LK, JN, R8, 1Y, 3C, LI, LL
HPS Metric	PL's 7G, 4J, JN, RM, 06, 72, R8
PSG Metric	PL's 9F, MP, 9H, 9J, MG, BO, TD
IPG Metric	PL's AK, CS, DU, 7T, 2A, R4, 6A, 9C

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## AMS Solutions Partner Organization

## PSG SPO Spec – ISS &amp; SWD CA



GCSH826

Metric Name	Wt	A/G	Dt (fulfillment)
PSG SPO ISS SWD Rev Territory CA	75	G	UD
PSG SPO ISS Attach AMS	25	G	UD

Risk Metric Description	ISS, SWD
	ISS 4U, LA, MV, SI, SY, TN SWD 1Y, 3C, LI, LJ, LK, LL, LM, LN, 7A Technology Svcs 06, R8

Part Period	Semi-Annual
Accelerator Rate	2.5x
Performance Level Threshold	60%
Notes	Use by Pre-Sales only

PL's SWD Attach AMS	PL's SI 4U, 06, LK, R8, 1Y, 3C, LI, LL
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30 October 2007 HP Confidential



## AMS Solutions Partner Organization

## PSG SPO Generalist - Val PBM CA



GCSP803A

Metric Name	WT	AKG	DA (fulfillment)
PSG SPO Value Add Rev	50	A	I
PSG SPO Vol Add Rev	25	A	I
PSG SPO ESS Attach AMS	6.25	AKG	DA
PSG SPO PBM HPS Attach AMS	6.25	AKG	DA
PSG SPO PBM PSG Attach AMS	6.25	AKG	DA
PSG SPO PBM IPG Attach AMS	6.25	AKG	DA

PLM Period	Semi Annual
Accelerator Rate	2.5x, 5.0x
Performance level threshold	80%

Key Metric Description	BCS, SWD, SW, Tech Svcs, Mgd Svcs, PNB	HSS, IPG Comm, IPG Supplies, PSG Comm
	BCS 1X, 23, 61, 2M, HA, NV, TG, TR SWD 1Y, 3C, LI, LJ, LK, LL, LM, LN, 7A SW: 2K, LH, TH, TK, 32, 33, 87, 2E, 6S, TE, TF, TG, 2E, 2F, 8L, EF, D3 Technology Svcs: 06 2P, 4J, 7Z, 7G, JN, R4, R7, R8 Managed Svcs (PL's 24, 25 6L only) PNB (PL 6H)	ISS 4U, LA, MV, SI, SY, TN PSG Comm: 21, 2C, 5X, 7F, 9F, 6H, 6J, AN, BO, BQ, MG, MP, TA, TB IPG Comm: 27, 2A, 2B, 2N, 2Q, 30, 4X, 5M, 5A, 7T, 93, 6A, 9C, A 5, AK, C2, C5, DA, DE, DL, JF, DU, HQ, KN, KP, KS, LF, LY, M3, MA, MB, MC, PQ, T5, T8, T2, 2D, T4, WS IPG Supplies: 1N, AJ, 5T

Attach Metric	PL Definitions
ESS Metric	PL's SI, 4U, 06, 23, 72, LK, JN, R8, 1Y, 3C, LI, LL
HPS Metric	PL's 7G, 4J, JN, R4, 06, 72, R8
PSG Metric	PL's 9F, MP, 9H, 9J, MG, BO, TB
IPG Metric	PL's AK, C5, DU, 7T, 2A, R4, 6A, 9C

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## AMS Solutions Partner Organization

## PSG SPO Generalist – Vol Distrib CA

GCSP802A



Metric Name	Wt	Avg	D1 (fulfillment)
PSG SPO Vol Acct Rev	50	A	I
PSG SPO Value Acct Rev	25	A	I
PSG SPO PBM ESS Attach AMS	6.25	G	I
PSG SPO PBM HPS Attach AMS	6.25	G	I
PSG SPO PBM PSG Attach AMS	6.25	G	I
PSG SPO PBM IPG Attach AMS	6.25	G	I

Key Metric Description	ESS, IPG Comm, PSG Comm, IPG Supplies	BCS, SWD, SW, Tech Svcs, Mgd Svcs, PNB
ISS	4U, LA, MV, SI, SY, TN	BCS 1X, 23, 61, 2M, HA, HW, TQ, TR
PSG Comm	21, 2C, 5X, 7F, 9F, 9H, 9J, AN, BO, BQ, MG, MP, TA, TB	SWD 1Y, 3C, U, LJ, LK, LL, LM, LN, 7A
IPG Comm	27, 2A, 2B, 2N, 2O, 30, 4X, 5M, 6A, 7T, 8D, 8A, 9C, A5, A, K, C2, C5, DA, DE, DL, JP, D, U, HO, KN, KP, KS, LF, LY, M3, MA, MB, MC, PQ, TS, TB, T2, 2D, T4, WS	SW 2K, LH, TH, TK, 32, 33, 67, 2E, 8S, TE, TF, TG, 28, 2F, BL, EF, D3
IPG Supplies	1N, AU, ST	Technology Svcs: 06, 2P, 4J, 72, 7G, 2N, R4, R7, R8 Managed Svcs (PL's 24, 26 6L only) PNB (PL 6H)

Perf Period	Semi Annual
Accelerator Rate	2.5x, 5.0x
Performance Level Threshold	60%

Attach Metric	
ESS Metric	PL's SI, 4U, 06, 23, 72, LK, JN, R6, 1Y, 3C, LI, LL
IPG Metric	PL's 7G, 4J, JN, R4, 06, 72, R8
PSG Metric	PL's 9F, MP, 9H, 9J, MG, 8D, TB
IPG Metric	PL's AK, C5, DU, 7T, 2A, R4, 6A, 9C



# AMS Solutions Partner Organization PSG SPO Spec - ESS AMS



GMSH805A

Metric Name	Wt	A/G	Dr (fulfillment)
PSG SPO ESS Raw	75	A/G	UD
PSG SPO ESS Affected AMS	25	A/G	UD

Part Period	Semi-Annual
Accelerator Rate	2.5x
Performance level threshold	60%

Raw Metric Description	BCS, ISS, SWD, Tech Svcs
	BCS: 1X, 23, 61, 2M, HA, NW, TO, TR ISS: 4U, LA, MV, SI, SY, TN SWD: 1Y, 3C, LI, LJ, LK, LL, LM, LN, 7A Technology Svcs: 06, 72, JN, R8

PL's SL, 4U, 06, 23, 72, LK, JN, R8, 1Y, 3C, LI, LL
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# AMS Solutions Partner Organization PSG SPO Spec - HPS CA



GCSH806A

Metric Name	WT	A/G	DI (fulfillment)
PSG SPO Tech Svcs Rev	75	G	D & I
PSG SPO HPS Alltech AMS	25	G	D & I

Rev. Metric Description	Tech Svcs
	Technology Svcs 06, 24, 25, 2P, 4J, 6L, 72, 7G, JN, R4, R7, R8

Perf Period	Semi-Annual
Accelerator Rate	2.5x
Performance level threshold	60%

PSG SPO HPS Alltech AMS	PL's 7G, 4J, JN, R4, 06, 72, R8
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34 October 2007 HP Confidential



# AMS Solutions Partner Organization PSG SPO Spec - IPG AMS



GCSH807A

Metric Name	WT	AVG	D1 (fulfillment)
PSG SPO:IPG Rev ICA 2	75	A	I
PSG SPO:IPG Attech AMS	25	A	I

Perf Period	Semi-Annual
Acceleration Rate	2.5x
Performance level threshold	60%

Key Metric Description	PSG SPO: IPG, Tech Svcs, Supplies Rev AMS
	IPG Comm: 27, 2A, 2B, 2N, 2Q, 30, 4X, 5M, 6 A, 7T, 83, 8A, 9C, A5, AK, C2, C5 DA, DE, DL, JP, DU, HQ, KN, K P, KS, LF, LY, M3, MA, MB, MC, PQ, T5, T8, T2, 2D, T4, WS Technology Svcs PL's R4, 2P Supplies 1N, AU, 5T

Key Metric Description	PL's AK, C5, DU, 7T, 2A, R4, 8A, 9C
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35 October 2007 HP Confidential



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**PSG SPO Spec - PSG CA**



GCSH808A

Matrix Name	Wt	AVG	Dt (Fulfillment)
PSG SPO: Tech Svcs, PSG Comm Rev CA	75	A or G	I/D
PSG SPO: PSG Attach AMS	25	A or G	I/D

Real Service Description	PSG SPO: Tech Svcs, PSG Comm Rev CA
	PSG Comm: 21, 2C, 5X, 7F, 9F, 9H, 9J, AN, BO, BQ, MG, MP, TA, TB
	PSG Consumer 9G, KV, 2G, 2H, 6J
	Technology Svcs PL R7

Part Period	Semi-Annual
Accelerator Rate	2.5x
Performance Level Threshold	60%

PSG SPO: Tech Svcs, PSG Comm Rev CA	PL's 9F, MP, 9H, 9J, MG, BO, TB
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RCSH841A

Matrix Name	WT	A/G	D1 (fullment)
PSG SPO AFB1 Rev Against GS	50	A	1
PSG SPO PSG - Rev Only	25	A/G	I/D
PSG SPO PBM ESS Attach AM3	6.25	A/G	I/D
PSG SPO PBM HPS Attach AM3	6.25	A/G	I/D
PSG SPO PBM PSG Attach AM3	6.25	A/G	I/D
PSG SPO PBM IPG Attach AM3	6.25	A/G	I/D

Pay Period	Semi-Annual
Acceleration Rate	2.5x
Performance level threshold	80%

<p><b>Services</b></p> <p>BCS, BS, SW, SMD, PSG Comm, Tech Svcs, Mgd Svcs, PNB, PG Suppliers</p>	<p><b>PSG Comm</b></p>
<p>BCS IX, 23, 31, 2M, HA, MM, TQ, TR</p> <p>ISS AU, LA, MV, SI, SY, TN</p> <p>15D 1Y, 3C, LI, U, LI, LI, LM, LM, 7A</p> <p>SW, 2K, LH, TH, TK, 32, 33, 37, 2E, AS, TE, TF, TG, 26, 2F, BL, EF, 03</p> <p>PSG Comm 21, 2C, 5X, 7F, 0F, 0H, 7J, AN, BO, BQ, M3 MP, TA, TB</p> <p>IPG Comm</p> <p>27A, 2B, 2N, 2D, 30, 4K, 5M, 8A, 7T, 6B, 3A, 0F, 5A, 0K, 02, 05, 0E, 0L, 0J, 0P, U, H, 0M, KP, KS, LF, LY, M3, MA, MB, M, C, PQ, T5, TR, T2, 2D, TA, 2S</p> <p>Technology Svcs 00, 2P, 44, 72, 79, JN, RA, R7, R8</p> <p>Managed Svcs (PL + 25, 2L only)</p> <p>PNB (PL 6th)</p> <p>Supplies 1N, AU, 5T</p>	<p>PSG Comm 21, 2C, 5X, 7F, 0F, 0H, 7J, AN, BO, BQ, M3, MP, TA, TB</p> <p>PSG Comm/SG KV, 23, 2T, 6J</p>

ATTACH AREA:	
1ST MARK:	PL & ST, 4U, 06, 23, 72, LK, JN, RB, 1Y, 3C, L1, L2
2ND MARK:	PL & 7G, 4J, JN, R4, 06, 72, RB
3RD MARK:	PL & WF, MP, RH, 2J, MS, BO, TB
4TH MARK:	PL & AK, C5, DU, 7T, 2A, R4, KA, 9C

# AMS Solutions Partner Organization PSG SPO Spec - IPG AMS 2



GCSH807B

Metric Name	Wt	Avg	Dt (fulfilled)
PSG SPO IPG Rev CA 3	75	Avg	1/0
PSG SPO IPG Attach AMS	25	Avg	1/0

Part Period	Semi-Annual
Acceleration Rate	2.5x
Performance Level Threshold	60%

Key Metric Categories	IPG Comm, Tech Svcs, IPG Supplies
	IPG Comm: 27, 2A, 2B, 2N, 2Q, 30, 4X, 5M, 6A, 7T, 83, 8A, 9C, A5, AK, C2, C5, DA, DE, DL, JP, DU, HQ, KN, K, P, KS, LF, LY, M3, MA, MB, MC, PQ, T5, T8, T2, 2D, T4, WS IPG Supplies: 1N, AU, 5T Technology Svcs (PL's R4, 2P only)

PSG SPO IPG Attach AMS	PL's AK, CS, DU, TT, 2A, R4, 8A, 9C
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## AMS Solutions Partner Organization

## PSG SPO Lead Spec – IPG CA



RCSH840

Metric Name	Wt	Avg	D1 (fulfillment)
PSG SPO AS BU Rev Accounts CA	50	A	I
PSG SPO IPG Tech Svcs Rev CA	25	G	D1
PSG SPO IPG Attach AMS	25	G	D1

Part Period	Semi-Annual
Accelerator Rate	2.5x
Performance Level Threshold	60%

Res Metrics Descript Min	IPG Comm, Tech Svcs, IPG Supplies
BCS: 1X, 23, 81, 2M, HA, NW, TQ, TR ISS: 4U, LA, MV, SI, SY, TN SVD: 1Y, 3C, LI, LJ, LK, LL, LM, LN, 7A SW: 2K, LH, TH, TK, 32, 33, 87, 2E, 8S, TE, TF, TG, 28, 2F, 8L, EF, D3 PSG Comm: 21, 2C, 5X, 7F, 8F, 9H, 9J, AN, BQ, BQ, MG, MP, TA, TB PNB: PL (6H) IPG Comm: 27, 2A, 2B, 2N, 2Q, 30, 4X, 5M, 6A, 7T, 83, BA, 9C, A5, AK, C2, C5, DA, DE, DL, JP, DU, HQ, K, N, KP, KS, LF, LY, M3, MA, MB, MG, PQ, T5, T8, T2, 2D, T4, VS Technology Svcs: 08, 2P, 4J, 72, 7G, JN, R4, R7, R8 Managed Svcs (PL's 24, 25 5L only) Supplies: 1N, AU, 5T	IPG Comm: 27, 2A, 2B, 2N, 2Q, 30, 4X, 5M, 6A, 7T, 83, BA, 9C, A5, AK, C2, C5, DA, DE, DL, JP, DU, HQ, K, N, KP, KS, LF, LY, M3, MA, MB, MG, PQ, T5, T8, T2, 2D, T4, VS Technology Svcs: 08, 2P, 4J, 72, 7G, JN, R4, R7, R8 Managed Svcs (PL's 24, 25 5L only) Supplies: 1N, AU, 5T

Attach Metrics	PL Definition
IPG Metrics	PL's AK, C5, DU, 7T, 2A, R4, 6A, 9C

39 October 2007 IPG Confidential





## AMS Solutions Partner Organization



## PSG SPO Spec – ISS AMS CA

GCSH821

Matrix Name	Wt	A/G	D/I (fulfillment)
PSG SPO ISS Rev CA	75	G	D & I
PSG SPO ISS Attach AMS	25	G	D & I

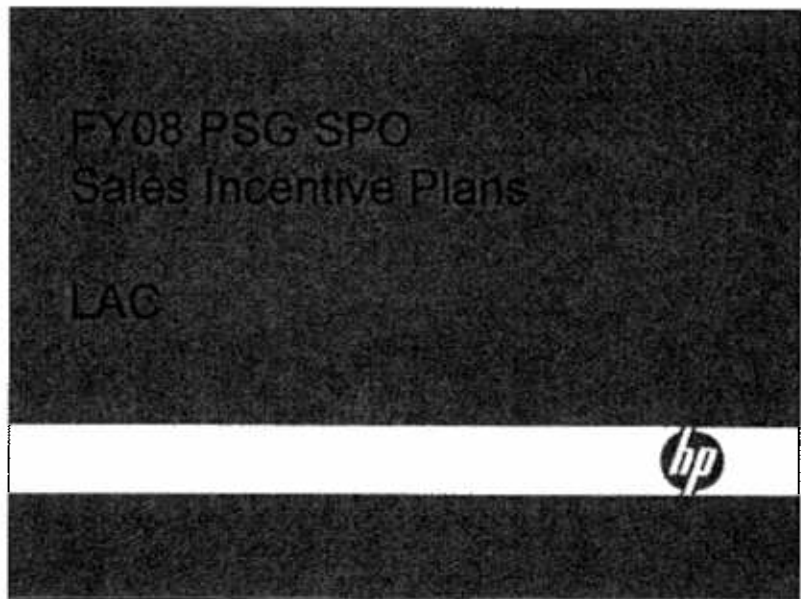
Rev Matrix Dependencies	PSG SPO ISS, Tech Svcs Rev CA
	ISS: 4U, LA, MV, SI, SY, TN Technology Svcs PL 06

Part Period	Semi-Annual
Accelerator Rate	2.5x
Performance level threshold	60%


PSG Attach Dependencies	ISS: SI, 4U, 06 LM, 3C LI, 1Y, LL, LK, R8
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40 October 2007 HP Confidential





## How to read the plan info...

Sales Role 

PSG SPO Spec – PSG Acct/Terr CA

RCSH811

Transaction  
Type (Ship, Ord,  
Rev or GM)

Assignment  
Type (Account  
or Geo)

Fulfillment Type  
(Direct and/or  
Indirect)

Metric Name	Wt	A/G	DT (fulfillment)
PSG SPO PSG Acct Rev 2	50	A	I
PSG SPO Terr Rev 2	25	G	UD
PSG SPO PSG Attach AMS	25	A/G	UD

Rev Metric Description	PSG Comm	PSG Comm, PSG Cons
	List of PL's quota/credit on the plan	List of PL's quota/credit on the plan

Post Period	Semi-Annual
Accelerator Rate	2.5x
Performance level Threshold	90%
Notes	New FY08 Canada PSG Specialist plan

PSG SPO PSG  
Attach AMS

List of PL's quota/credit on the  
plan

The "performance level threshold" is the  
stated performance level threshold the  
sales employee must meet prior to earning  
the incentive pay that was issued as a pay  
advance.

- Now that we have reviewed the business priorities, design priorities, sales roles, and summary of changes, we will review the Sales Comp Plans for FY08
- First, please take a few minutes to familiarize yourself with how to read the plan slides

# AMS Solutions Partner Organization PSG SPO Sales Manager

V1R5



GLSP850AXXLX

Metric Name	Wt	A/G	DM (fulfillment)
PSG SPO Volume Rev LX	50	A	I
PSG SPO Value Rev LX	25	A	I
PSG SPO PBM ESS Attach AMS	6.25	A	I
PSG SPO PBM HPS Attach AMS	6.25	A	I
PSG SPO PBM PSG Attach AMS	6.25	A	I
PSG SPO PBM IPG Attach AMS	6.25	A	I

Rev Metric Description	PSG SPO Volume Rev LX	PSG SPO Value Rev LX
	ISS: 4U, LA, MV, SI, SY, TN IPG: 27, 30, 83, 2A, 2B, 2N, 2O, 4X, 5M, 8A, 7T, 8A, 9C, AK, C2, C5, DL, DU, HQ, KN, KP, LF, LY, MA, MC, PQ, R6, T2, T4, T5 T8 V5 PSG: 21, 2C, 5X, 7F, 8F, 9H, 9J, AN, BO, BQ, MG, MP, TA, TB	BCS 1X, 23, 61, 2M, 2K, HA, NW, TQ, TR SWD: 1Y, 3C, LJ, LK, LL, LM, LN Technology Svcs 06, 2P, 4J, 7Z, 7G, JN, R4, R7, R8 Managed Svcs: no credit Software: no credit

Part Period	Semi-Annual
Accelerator Rate	2.5x, 5.0x
Threshold	60%
Notes	

Attach Metric	PL Definitions
ESS Metric	PL's SI, 4U, 23, LK, 1Y, 3C, LJ, LL
HPS Metric	PL's 7G, 4J, JN, R4, 06, 7Z, R8
PSG Metric	PL's 9F, MP, 9H, 9J, MG, BO, TB
IPG Metric	PL's AK, C5, DU, 7T, 2A, 6A, 9C

43 October 2007 HP Confidential



## AMS Solutions Partner Organization

V1R5



## PSG SPO Generalist – Vol PBM LX

GLSH802AXXLX

Metric Name	Wt	A/G	DM (fulfillment)
PSG SPO Volume Rev LX	50	A	I
PSG SPO Value Rev LX	25	A	I
PSG SPO PBM ESS Attach AMS	6.25	A	I
PSG SPO PBM HPS Attach AMS	6.25	A	I
PSG SPO PBM PSG Attach AMS	6.25	A	I
PSG SPO PBM IPG Attach AMS	6.25	A	I

Rev Metric Description	PSG SPO Volume Rev LX	PSG SPO Value Rev LX
ISS, 4U, LA, MV, SI, SY, TN	IPG, 27, 30, 83, 2A, 2B, 2N, 2Q, 4X, 5M, 6A, 7T, 8A, 9C, AK, C2, C5, DL, DU, HQ, KN, KP, LF, LY, MA, MC, PQ, R8, T2, T4, T5 T8, VS	BCS 1X, 23, 61, 2M, 2K, HA, NA, TO, TR SWD 1Y, 3C, U, LJ, UK, LL, LM, LN Technology Svcs 06, 2P, 4J, 72, 7G, JN, R4, R7, R8 Managed Svcs: no credit Software: no credit
PSG, 21, 2C, 5X, 7F, 9F, 9H, 9J, AN, BO, BQ, MG, MP, TA, TB		

Part Period	Semi-Annual
Accelerator Rate	2.5x
Threshold	60%

Attach Metric	PL Definitions
ESS Metric	PL's SI, 4U, 23, LK, 1Y, 3C, LI, LL
HPS Metric	PL's 7G, 4J, JN, R4, 06, 72, R8
PSG Metric	PL's 9F, MP, 9H, 9J, MG, BO, TB
IPG Metric	PL's AK, C5, DU, 7T, 2A, 8A, BC

44      October 2007      HP Confidential



## AMS Solutions Partner Organization

V1R5



## PSG SPO Spec – TSG ESS/SW LX

RLSH818AXXLX

Item Name	Wt	A/G	Q1 (fulfillment)
PSG SPO BCS/ISS & Storage Rev LX	50	A	I
PSG SPO Rev LX 2	25	A	I
PSG SPO ESS Attach AMS	25	A	I


Part Period	Semi-Annual
Accelerator Rate	2.5x
Threshold	60%

PSG SPO BCS/ISS & Storage Rev LX	PSG SPO Rev LX 2
BCS 1X, 2X, 2M, 61, HA, NW	ISS 4U, LA, MV, SI, SY
SWD 1Y, 3C, LH, LI, LJ, LK, LL, LM, LN	BCS 1X, 2X, 2M, 61, HA, NW
ISS 4U, LA, MV, SI, SY, 06	SWD 1Y, 3C, LH, LI, LJ, LK, LL, LM, LN
SWD 1Y, 3C, LI, LJ, LK, LL, LM, LN	HPS 06, 2P, 4J, 7Z, 7G, JN, R4, R7, R8
	Software: no credit

PSG SPO Rev LX 2	PL's SI, 4U, 23, LK, 1Y, 3C, LI, LL
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45 October 2007 HP Confidential



V1R5 

**AMS Solutions Partner Organization**  
**PSG SPO Value PBM/TSG manager - LX (VAD)**

GLSH803AXXLX

Metric Name	Wt	AG	DA (fulfillment)	Rev Metric Description	PSG SPO Value TSG Rev LX	PSG SPO Volume HPS Rev LX 2
PSG SPO TSG Value Rev LX	50	A	I		BCS: 1X, 23, 61, 2K, 2M, HA, NW, TQ, TR	Technology Svcs: 06, 2P, 4J, 72, 7G, JN, R4, R7, R8
PSG SPO TSG Volume Rev LX 2	25	A	I		SWD: 1Y, 3C, LI, LJ, LX, LL, LM, LN	IPG: no credit PSG: no credit
PSG SPO PBM ESS Attach AMS	12.5	A	I		Technology Svcs: 06, 2P, 4J, 72, 7G, JN, R4, R7, R8	
PSG SPO PBM HPS Attach AMS	12.5	A	I		Managed Svcs: no credit	
Perf Period	Semi-Annual					
Accelerator Rate	2.5x					
Threshold	60%					

Attach Metric	PL Definitions
ESS Metric	PL's SI, 4U, 23, LK, 1Y, 3C, LI, LL
HPS Metric	PL's 7G, 4J, JN, R4, 06, 72, R8

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AMS Solutions Partner Organization

V1R5



# PSG SPO Hybrid Partner Sales Spec - ESS & HPS - LX

RLSH889AXXLX

Metric Name	WR	Arg	DA (fulfillment)
PSG SPO ESS Rev LX	40	A	I
PSG SPO HPS Rev LX	40	A	I
PSG SPO PBM ESS Attach AMS	10	A	I
PSG SPO PBM HPS Attach AMS	10	A	I
Plan Period	Semi-Annual		
Accelerator Rate	2.5x		
Threshold	60%		

Rev Metric Description	PSG SPO ESS Rev LX (BCS, SWD, Svcs, Mgd Svcs, SW, ISS)	PSG HPS Rev LX
	BCS 1X, 23, 61, 2K, 2M HA, NW, TO, TR SWD 1Y, 3C, LI, LJ, LK, LL, LM, LN Technology Svcs: 06, 2P, 4J, 72, 7G, JN, R4, R7, R8 Managed Svcs: no credit Software: no credit ISS (All PL's) 4U, LA, MV, SI, SY, TN	Technology Svcs: 06, 2P, 4J, 72, 7G, JN, R4, R7, R8

Attach Metric	PL Definitions
ESS Metric	PL's SI, 4U, 23, LK, 1Y, 3C, LI, LL
HPS Metric	PL's 7G, 4J, JN, R4, 06, 72, R8

47 October 2007 HPS Configuration





AMS Solutions Partner Organization

V1R5



# PSG SPO Generalist Vol & Val LX

(Uruguay, Bolivia)

GLSH804AXXLX

Metric Name	Wt	Ang	D1 (fulfillment)
PSG SPO Rev LX	75	A	I
PSG SPO PBM	6.25	A	I
ESS Attach AMS			
PSG SPO PBM	8.25	A	I
HPS Attach AMS			
PSG SPO PBM	6.25	A	I
PSG Attach AMS			
PSG SPO PBM	6.25	A	I
IPG Attach AMS			

Part Period	Semi-Annual
Accelerator Rate	2.5x
Threshold	60%

Rev Metric Description	PSG SPO Rev LX
	BCS: 1X, 23, 61, 2K 2M, HA, NW, TQ, TR SWD: 1Y, 3C, LI, LJ, LK, LL, LM, LN Technology Svcs 06, 2P, 4J, 72, 7G, JN, R4, R7, R8 Managed Svcs: no credit ISS: 4U, LA, MV, SI, SY, TN Software: no credit IPG: 27, 30, 83, 2A, 2B, 2N, 2O, 4X, 5M, 6A, 7T, 8A, 9C, AK, C2, C5, DL, DU, HQ, KN, KP, LF, LY, MA, MC, PQ, R6, T2, T4, T5, T8, WS PSG: 21, 2C, 5X, 7F, 9F, 9H, 9J, AN, BO, BQ, MG, MP, TA, TB

Attach Metric	PL Definitions
ESS Metric	PL's SI, 4U, 23, LK, 1Y, 3C, LI, LL
HPS Metric	PL's 7G, 4J, JN, R4, 06, 72, R8
PSG Metric	PL's 9F, MP, 9H, 9J, MG, BO, TB
IPG Metric	PL's AK, C5, DU, TT, 2A, 6A, 9C

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## PSG SPO Spec - PSG LX PSG Specialists



GLSH808AXXLX

Metric Name	WT	AVG	DI (fulfillment)
PSG SPO PSG Rev LX	75	A	I
PSG SPO PSG Attach AMS	25	A	I

Rev Metric Rev 2006	PSG SPO PSG Rev LX
	PSG: 21, 2C, 5X, 7F, 9F, 9H, 9J, AN, BO, BQ, MG, MP, TA, TB, SG, 6J, 2H, 2G, 9F, KV

Perf Period	Semi-Annual
Acceleration Rate	2.5x
Threshold	50%

Rev Metric Rev 2006	PL's 9F, MP, 9H, 9J, MG, BO, TB, R7
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AMS Solutions Partner Organization

V1R4



## PSG SPO Spec - PSG LX PSG Specialists commercial

GLSH808ABXLX

Metric Name	Wt	AVG	Dt (fulfillment)
PSG SPO PSG Rev LX	75	A	I
PSG SPO PSG Attach AMS	25	A	I

Key Metric: Success Rate	PSG SPO PSG Rev LX
	PSG: 21, 2C, 5X, 7F, 9F, 9H, 9J, AN, BO, BO, MG, MP, TA, TB, 9F

Part Period	Semi-Annual
Accelerator Rate	2.5x
Threshold	60%

Key Metric: Success Rate	PL's 9F, MP, 9H, 9J, MG, BO, TB, R7
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Use in Brazil

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V1R4



## PSG SPO Spec - PSG LX PSG Specialists handhelds

GLSH808ACXLX

Metric Name	WR	A/G	D1 (fulfillment)
PSG SPO PSG Rev LX	75	A	I
PSG SPO PSG Attach AMS	25	A	I

Run Rate Percentage	PSG SPO PSG Rev LX
	PSG 21

Part Period	Semi-Annual
Accelerator Rate	2.5x
Threshold	50%

PSG SPO PSG Attach AMS	PL's 9U
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Use in Brazil

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## PSG SPO Spec - Workstations US

GUSH810AXXUS

Metric Name	WT	A/G	Of (Fulfillment)
PSG SPO Workstations Rev US	75	A	I
PSG SPO Workstations Adtech US	25	A	I

Rev Metric Description	PSG SPO Workstations: SX, 9H, TB, Rev US
	PSG PL's SX (Workstation Systems), 9H (Workstation Brand Options), TB (Workstation Displays)

Part Period	Semi-Annual
Accelerator Rate	2.5x
Threshold	60%
Risks:	6-8 people, changed plan, no need for middle metric – focused purely on workstations through targeted resellers

PSG SPO Workstations Adtech US	PSG PL 9H, TB, 9F, 9J, BO, MG, MP
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FY08 PSG SPO  
Sales Incentive  
Plans

US



## How to read the plan info...

PSG SPO Spec – PSG Acct/Terr CA

Sales Role 

RCSH811

Transaction  
Type (Ship, Ord,  
Rev or GM)

Assignment  
Type (Account  
or Geo)

Fulfillment Type  
(Direct and/or  
Indirect)

Plan Name	WT	A/G	DM (fulfillment)	Rev Assign Description	PSG Comm	PSG Comm, PSG Cons
PSG SPO PSG Acct Rev 2	50	A	I		List of PL's quota/credit on the plan	List of PL's quota/credit on the plan
PSG SPO Terr Rev 2	25	G	I/D			
PSG SPO PSG Attach AMS	25	A/G	I/D			

Plan Period	Semi-Annual
Accelerator Rate	2.5x
Performance level threshold	60%
Notes	New FY08 Canada PSG Specialist plan

**PSG SPO Spec –  
Attach AMS**

List of PL's quota/credit on the  
plan

The "performance level threshold" is the stated performance level threshold the sales employee must meet prior to earning the incentive pay that was issued as a pay advance.

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- Now that we have reviewed the business priorities, design priorities, sales roles, and summary of changes, we will review the Sales Comp Plans for FY08
- First, please take a few minutes to familiarize yourself with how to read the plan slides

AMS Solutions Partner Organization  
**PSG SPO Services US**



RUSH850

Metric Name	WT	Avg	DT (fulfillment)
PSG SPO Services New Rev	75	A	I
PSG SPO Services Renewal Rev	25	A	I

Ref Metric Description	PSG SPO Services New Rev US	PSG SPO Services Renewal Rev US
	PLs 06, 24, 25, 2P, 4J, 6L, 72, 7G, JN, R4, R7, R8	PLs 06, 24, 25, 2P, 4J, 6L, 72, 7G, JN, R4, R7, R8, REN

Part Period	Semi-Annual
Accelerator Rate	2.5x
Threshold	60%
Notes	

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## PSG SPO Spec - Workstations US



GUSH810


Metric Name	Wt	A/G	DI (fulfillment)
PSG SPO Workstations Rev. US	75	A	I
PSG SPO Workstations Attach 2	25	A	I

Part Period	Semi-Annual
Acceleration Rate	2.5x
Threshold	60%
Notes	

Rev Metric Description	PSG SPO Workstations: 5X, 9H, TB, Rev US
	PSG PL's 5X (Workstation Systems), 9H (Workstation Brand Options), TB (Workstation Displays) WKS

PSG SPO Workstations Attach 2	PSG PL 9H, TB, 9F, 9J, BO, MG, MP
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## AMS Solutions Partner Organization PSG SPO Spec - BPC US

RUSH823

Metric Name	Wt	A/G	Dr (fulfillment)	Rev Metric Description	PSG SPO BPC Solutions: 9H, 9F, BO Rev US
PSG SPO BPC Solutions Rev US	75	A	I		
PSG SPO Workstations Attach US	25	A	I		PSG PL's 2C, BO, 9F

Perf Period:	Semi-Annual	<div style="border: 1px solid black; padding: 2px;"> <b>PSG SPO BPC Specs US</b> </div>
Accelerator Rate:	2.5x	
Threshold:	60%	
Notes:		

PSG PL SH, TB, 9F, 9J, BO, MG, MP

57      October 2007      HP Confidential

## AMS Solutions Partner Organization

## PSG SPO Spec - Data Center US



RUSH818

Media Name	Wt	A/G	DM (fulfillment)
PSG SPO BCS/SS & Storage Rev US	50	A	1
PSG SPO Rev US	25	A	1
PSG SPO ESS Attach US	25	A	1

Part Period	Semi-Annual
Acceleration Rate	2.5x
Threshold	60%

PSG SPO BCS/SS & Storage Rev US	PSG SPO: IPG, PSG, ISS, BCS, SWD, HPS, Procurve Rev US
BCS: 1X, 23, 61, 2M, HA, TQ, TR	IPG: 27, 30, 83, 2A, 2B, 2N, 4X, 5M, 6A, 7T, 8A, AK, C2, C5, DL, DU, KN, KP, LF, LY, MA, MC, PQ, R6, T2, T4, T5, T8, WS, TT
ISS: MV	PSG: 21, 2C, 5X, 7F, 9F, 9H, 9J, AN, BO, MG, MP, TA, TB
SWD: 1Y, 3C, LI, LJ, LK, LL, LM, LN	ISS: 4U, LA, MV, SI, SY, TN
	SWD: 1Y, 3C, LI, LJ, LK, LL, LM, LN
	BCS: 1X, 23, 61, 2M, HA, TQ, TR
	HPS: 06, 24, 25, 2P, 4J, 6L, 72, 7G, JN, R4, R7, R8
	Procurve: 6H

PSG SPO BCS/SS & Storage Rev US	PL's 4U, SI, TN, 06, 23, 72, JN, R8, 1Y, 3C, LI, LL, LK, ESA
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**PSG SPO Spec - Ptnr Leasing US**

RUSH828



Metric Name	Wt	Avg	On (fulfillment)
PSG SPO Partner Leasing Rev	50	A	I
PSG SPO Partner Leasing Margin	50	A	I

Key Metric Description	PSG SPO Partner Leasing Rev	PSG SPO Value: BCS, SWD, Tech Svcs, Rev AMS
	PL FS1	PL FS2

Part Period	Semi Annual
Accelerator Rate	2.5x
Threshold	80%
Notes	

59 October 2007 HP Confidential



## AMS Solutions Partner Organization

## PSG SPO Generalist - Vol PBM AMS



GMSH802A

Metric Name	WT	A/G	D/I (fulfillment)
PSG SPO Volume Rev AMS	50	A	I
PSG SPO Value Rev AMS	25	A	I
PSG SPO PBM ESS Attach US	6.25	A	I
PSG SPO PBM HPS Attach US	6.25	A	I
PSG SPO PBM PSG Attach US	6.25	A	I
PSG SPO PBM IPO Attach US	6.25	A	I

Test Period	Semi-Annual
Accelerator Rate	2.5x, 5.0x, 8.0x
Threshold	60%

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Rev Metric Description	PSG SPO Volume: ISS, IPO, PSG Rev AMS	PSG SPO Value: BCS, SWD, Tech Svcs, Rev AMS
	ISS 4U, LA, MV, SI, SY, TN IPG 27, 30, 83, 2A, 2B, 2N, 4X, 5M, 6A, 7T, 8A, AK, C2, CS, DL, DU, KN, KP, LF, LY, MA, MC, PQ, R6, T2, T4, T5 T8, WS, TT PSG 21, 2C, 5X, 7F, 9F, 9H, 9J, AN, BO, MG, MP, TA, TB	BCS 1X, 23, 61, 2M, HA, TQ, TR SWD: 1Y, 3C, LI, LJ, LK, LL, LM, LN Technology Svcs 06 24, 25, 2P, 4J, 6L, 72, 7G, JN, R4, R7, R8 PNB (PL 6H)

Admin Metric	PL Definitions
ESS Metric	PL's SI, 4U, 08, 23, 72, LK, JN, R8, 1Y, 3C, LI, LL, TN, ESA
HPS Metric	PL's 06, 4J, 72, 7G, JN, R4, R8
PBO Metric	PL's 9F, 9H, 9J, BO, MG, MP, TB
IPO Metric	PL's 2A, 6A, 7T, AK, CS, DU, R4, R6, T4



## AMS Solutions Partner Organization



## PSG SPO Generalist – Val PBM AMS

GMSP803

Metric Name	Wt	Avg	Def (fulfillment)
PSG SPO Value Rev AMS	50	A	I
PSG SPO Volume Rev AMS	25	A	I
PSG SPO PBM ESS Attach US	6.25	A	I
PSG SPO PBM HPS Attach AMS	6.25	A	I
PSG SPO PBM PSG Attach AMS	6.25	A	I
PSG SPO PBM IPG Attach US	6.25	A	I

Perf Period	Semi-Annual
Accelerator Rate	2.5x, 5.0x
Threshold	60%

Rev Metric Description	PSG SPO Value: BCS, SWD, Tech Svcs, PNB Rev AMS	PSG SPO Volume: ISS, IPG, PSG Rev AMS
	BCS: 1X, 23, 61, 2M, HA, TO, TR SWD: 1Y, 3C, LI, LJ, LK, LL, LM, LN Technology Svcs: 06, 24, 25, 2P, 4J, 6L, 72, 7G, JN, R4, R7, R8 PNB (PL 6H)	ISS: 4U, LA, MV, SI, SY, TN IPG: 27, 30, 83, 2A, 2B, 2N, 4X, 5M, 6A, 7T, 8A, AK, C2, C5, DL, DU, KN, KP, LF, LY, MA, MC, PQ, R6, T2, T4, T5, T8, WS, TT PSG: 21, 2C, 5X, 7F, 9F, 9H, BJ, AN, BO, MG, MP, TA, TB

Attach Metric	PL Definitions
ESS Metric	PL's SI, 4U, 06, 23, 72, UK, JN, R8, 1Y, 3C, LI, LJ, TN, ESA
HPS Metric	PL's 7G, 4J, JN, R4, 06, 72, R8
PSG Metric	PL's 9F, MP, 9H, 9J, MG, BO, TB
IPG Metric	PL's AK, C5, DU, 7T, 2A, R4, 6A, R6, T4

61 October 2007 HP Confidential





AMS Solutions Partner Organization

## PSG SPO Generalist – Hybrid Val &amp; Vol AMS

GMSH804

Metric Name	Wt	A/G	DI (fulfillment)
PSG SPO Rev AMS	75	A	I
PSG SPO PBM ESS Attach US	6.25	A	I
PSG SPO PBM HPS Attach US	6.25	A	I
PSG SPO PBM PSG Attach US	6.25	A	I
PSG SPO PBM IPG Attach US	6.25	A	I

Part Period	Semi-Annual
Accelerator Rate	2.5x
Threshold	60%

Rev. Metric Description
PSG SPO: BCS, SWD, Tech Svcs, PNB, ISS, IPG, PSG Rev AMS
BCS: 1X, 23, 61, 2M, HA, TQ, TR SWD: 1Y, 3C, LI, LJ, LK, LL, LM, LN Technology Svcs: 06, 24, 25, 2P, 4J, 6L, 72, 7G, JN, R4, R7, R8 PNB (PL 6H) ISS: 4U, LA, MV, SI, SY, TN IPG: 27, 30, 83, 2A, 2B, 2N, 4X, 5M, 6A, 7T, 8A, AK, C2, C5, DL, DU, KN, KP, LF, LY, MA, MC, PQ, R6, T2, T4, T5, T8, WS, TT PSG: 21, 2C, 5X, 7F, 9F, 9H, 9J, AN, BO, MG, MP, TA, TB

Attach Metric	PL Definitions
ESS Metric	PL's SI, 4U, 06, 23, 72, LK, JN, R6, 1Y, 3C, LI, LL, TN, ESA
HPS Metric	PL's 7G, 4J, JN, R4, 06, 72, R8
PSG Metric	PL's 9F, MP, 9H, 9J, MG, BO, TB
IPG Metric	PL's AK, C5, DU, 7T, 2A, R4, 6A, R6, T4

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## PSG SPO Spec - ESS US



GUSH805

Metric Name	Wt	AVG	DA (fulfillment)
PSG SPO ESS Rev US	75	A	I
PSG SPO ESS Attach US	25	A	I

Perf Period	Semi-Annual
Acceleration Rate	2.5x
Threshold	60%
Notes	Use by Pre-Sales only

Rev Metric Description	PSG SPO ESS: BCS, SWD, ISS Rev US
	BCS-1X, 23, 61, 2M, HA, TQ, TR
	SWD 1Y, 3C, LJ, LK, LL, LM, LN
	ISS 4U, LA, MV, SI, SY, TN

PSG SPO ESS Attach US	PL's SI, 4U, 06, 23, 72, LK, JN, RB, 1Y, 3C, LJ, LL, TN, ESA
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## AMS Solutions Partner Organization

## PSG SPO Spec - HPS US



GUSH806

Metric Name	Wt	A/G	D1 (fulfillment)
PSG SPO HPS Rate US	75	A	I
PSG SPO HPS Attach US	25	A	I

Rev. Status Description	PSG SPO HPS: Tech Svcs, Rev US
	Technology Svcs 06, 24, 25, 2P, 4J, 6L, 72, 75, JN, R4, R7, R8, REN

Prod Period	Semi-Annual
Accelerator Rate	2.5x
Threshold	60%

PSG SPO HPS Attach US	PL's 7G, 4J, JN, R4, 06, 72, R8
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64 October 2, 2007 HP Confidential



## AMS Solutions Partner Organization

## PSG SPO Spec - HPS CSP US



RUSH806

Metric Name	Wt	Avg	D1 (fulfillment)
PSG SPO HPS Rev US	50	A	I
PSG SPO HPS Rollup Rev US	25	A	I
PSG SPO HPS Attach US	25	A	I

Key Metric Description	PSG SPO HPS: Tech Svcs Rev US (Assigned CSP)	PSG SPO HPS: Tech Svcs Rollup Rev (All CSP's)
	Technology Svcs 06, 24, 25, 2P, 4J, 6L, 72, 7G, JN, R4, R7, R8	Technology Svcs 06, 24, 25, 2P, 4J, 6L, 72, 7G, JN, R4, R7, R8

Part Period	Semi-Annual
Accelerator Rate	2.5x
Threshold	60%

PSG SPO HPS Attach US	PL's 7G, 4J, JN, R4, 06, 72, R8
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65 October 2007 HP Confidential



# AMS Solutions Partner Organization PSG SPO Spec - IPG US



GUSH807A

Metric Name	Wt	Avg	D1 (fulfillment)
PSG SPO IPG Rev US	75	A	I
PSG SPO IPG Attach US	25	A	I

Part Period	Semi-Annual
Accelerator Rate	2.5x
Threshold	60%

Rev Svc Tech Svc	PL's
IPG 27, 30, 63, 2A, 2B, 2N, 4X, 5M, 6A, 7T, 8A, AK, C2, CS, DL, DU, KN, KP, LF, LY, MA, MC, PG, R6, T2, T4, T5, T8, WS, TT	
Technology Svcs PL's R4, 2P	

PL's AK, C5, DU, 7T, 2A, R4, 6A, R6, T4

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## PSG SPO IPG Spec CSP US

GUSH807B

Metric Name	WT	A/G	Dr (fulfillment)
PSG SPO IPG Rev US	50	A	I
PSG SPO IPG Rollup Rev US	25	A	I
SPO IPG Attach US	25	A	I

Part Period	Semi-Annual
Accelerator Rate	5.0x
Threshold	60%

Top Line Metric Description	SPO IPG, Tech Svcs, Top Line US (Assigned CSP)	SPO IPG, Tech Svcs, Rollup Top Line (All CSP's)
See Backup	IPG: 27, 30, 83, 2A, 2B, 2N, 4X, 5M, 6A, 7T, 8A, AK, C2, C5, DL, DU, KN, KP, LF, LY, MA, MC, PQ, R6, T2, T4, T5, T8, WS, TT Technology Svcs PL's R4, 2P	IPG: 27, 30, 83, 2A, 2B, 2N, 4X, 5M, 6A, 7T, 8A, AK, C2, C5, DL, DU, KN, KP, LF, LY, MA, MC, PQ, R6, T2, T4, T5, T8, WS, TT Technology Svcs PL's R4, 2P
PSG SPO SPO Attach US	PL's AK, C5, DL, 7T, 2A, R4, 6A, R6, T4	

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## AMS Solutions Partner Organization

## PSG SPO Lead Spec - IPG US



RUSH840

Specific Name	Wt	A/G	On (fulfillment)
PSG SPO IPG Rev US	50	A	I
PSG SPO Rev AMS	25	A	I
PSG SPO IPG Attach US	25	A	I

Part Period	Semi-Annual
Acceleration Rate	2.5x
Threshold	60%

PSG SPO IPG Tech Svcs Rev US	PSG SPO: BCS, SWD, Tech Svcs PNB, ISS, IPG, PSG Rev AMS
IPG: 27, 30, 63, 2A, 2B, 2N, 4X, 5M, 6A, 7T, 8A, AK, C2, C5, DL, DU, KN, KP, LF, LY, MA, MC, PQ, R6, T2, T4, T5, T8, WS, TT Technology Svcs PL's R4, 2P	BCS: 1X, 23, 61, 2M, HA, TG, TR SWD: 1Y, 3C, LI, LJ, LK, LL, LM, LN Technology Svcs 06, 24, 25, 2P, 4J, 6L, 72, 7G, JN, R4, R7, R8 PNB (PL 6H) ISS: 4U, LA, MV, SI, SY, TN IPG: 27, 30, 63, 2A, 2B, 2N, 4X, 5M, 6A, 7T, 8A, AK, C2, C5, DL, DU, KN, KP, LF, LY, MA, MC, PQ, R6, T2, T4, T5, T8, WS, TT PSG: 21, 2C, 5X, 7F, 9F, 9H, 9J, AN, BO, MG, MP, TA, TB

PSG SPO IPG Rev US	PL's AK, C5, DU, 7T, 2A, R4, 6A, R6, T4
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# AMS Solutions Partner Organization PSG SPO Spec - PSG US



GUSH808

Model Name	WR	A/G	D/I (fulfillment)
PSG SPO PSG Rev US	75	A	I
PSG SPO PSG Anzch US	25	A	I

Rev Model Description	PSG SPO PSG Rev US
	PSG 21, 2C, 5X, 7F, 9F, 9H, 9J, AN, BO, MG, MP, TA, TB

Part Period	Semi-Annual
Acceleration Rate	2.5x
Threshold	60%

PSG SPO PSG Rev US	PL's 9F, MP, 9H, 9J, MG, BO, TB
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## AMS Solutions Partner Organization

## PSG SPO Spec – PSG CSP US



RUSH808

Meets Requirement	WT	A/G	DM (fulfillment)
PSG SPO PSG Rev US	50	A	I
PSG SPO PSG Rollup Rev US	25	A	I
PSG SPO PSG Attach US	25	A	I

Rev Mark Description	PSG SPO PSG Rev US	PSG SPO PSG Rollup Rev
	PSG: 21, 2C, 5X, 7F, 9F, 9H, 9J, AN, BO, MG, MP, TA, TB	PSG 21, 2C, 5X, 7F, 9F, 9H, 9J, AN, BO, MG, MP, TA, TB

Part Period	Semi-Annual
Accelerator Rate	5.0x
Threshold	60%

PSG SPO PSG Attach US	PL's 9F, MP, 9H, 9J, MG, BO, TB
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70 October 2007 HP Confidential



## AMS Solutions Partner Organization



## PSG SPO Lead Spec – PSG US

RUSH841

Metric Name	Wt	Avg	DA (Fulfillment)
PSG SPO PSG Rev US	50	A	I
PSG SPO Rev AMS	25	A	I
PSG SPO PSG Attach US	25	A	I
Test Period	Semi-Annual		
Accelerator Rate	2.5x		
Threshold	80%		

Rev. Metric Description	PSG SPO PSG Rev US	PSG SPO: BCS, SWD, Tech Svcs, PNB, IBB, IPG, PSG Rev AMS
	PSG: 21, 2C, 5X, 7F, 9F, 9H, 9J, AN, BO, MG, MP, TA, TB	BCS: 1X, 23, 61, 2M, HA, TQ, TR SWD: 1Y, 3C, LI, LJ, LK, LL, LM, LN Technology Svcs 06, 24, 25, 2P, 4J, 6L, 72, 7G, JN, R4, R7, R8 PNB (PL 6H) ISS, 4U, LA, MV, SI, SY, TN, IPG: 27, 30, 83, 2A, 2B, 2N, 4X, 5M, 6A, 7T, 8A, AK, C2, C5, DL, DU, KN, KP, LF, LY, MA, MC, PQ, R6, T2, T4, T5, T8 WS, TT PSG: 21, 2C, 5X, 7F, 9F, 9H, 9J, AN, BO, MG, MP, TA, TB
	PSG SPO PSG Attach US	PSG: 21, 2C, 5X, 7F, 9F, 9H, 9J, AN, BO, MG, MP, TA, TB

71 October 2007 HP Confidential





# AMS Solutions Partner Organization PSG SPO Spec - SWD US



GUSH820

Metric Name	Wt	Avg	Dn (fulfillment)
PSG SPO Storage Rev US	75	A	I
PSG SPO Storage Attach US	25	A	I

Key Metric Description	PSG SPO Storage, Tech Svcs Rev US
	SWD: 1Y, 3C, L, LK, LL, LM, LN Technology Svcs PL RB

Perf Period	Semi-Annual
Accelerator Rate	2.5x
Threshold	60%

Key Metric Description	SWD LK, RS, LL
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72 October 2007 HP Confidential



## AMS Solutions Partner Organization

## PSG SPO Spec – SWD CSP US



RUSH820

Metric Name	WT	AVG	D1 (fulfillment)
PSG SPO Storage Rev US	50	A	I
PSG SPO Storage Rollup Rev US	25	A	I
PSG SPO Storage Attach US	25	A	I

Rev Metric	PSG SPO Storage, Tech Svcs Rev US (Assigned CSP)	PSG SPO Storage Tech Svcs Rollup Rev (All CSP's)
SWD	SWD 1Y, 3C, LI, LJ, LK, LL, LM, LN Technology Svcs PL, R6	SWD 1Y, 3C, LI, LJ, LK, LL, LM, LN Technology Svcs PL, R6

Part Period	Semi-Annual
Accelerator Rate	2.5x
Threshold	60%

PSG SPO Storage Select US	SWD LK, R6, LL
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74 October 2007 HP Confidential



## AMS Solutions Partner Organization

## PSG SPO Lead Spec - SWD US



RUSH844

Metric Name	Wt	Avg	On (fulfillment)
PSG SPO Storage Rev US	50	A	I
PSG SPO Rev AMS	25	A	I
PSG SPO Storage Attach US	25	A	I

Ref Period	Semi-Annual
Accelerator Rate	2.5x
Threshold	60%

PSG SPO Storage Tech Svcs Rev US	PSG SPO: BC5, SWD, Tech Svcs, PNB, ISS, IPG, PSG Rev AMS
SWD: 1Y, 3C, LI, LJ, LK, LL, LM, LN Technology Svcs PL, R8	BC5: 1X, 23, 61, 2M, HA, TO, TR SWD: 1Y, 3C, LI, LJ, LK, LL, LM, LN Technology Svcs 06, 24, 25, 2P, 4J, 6L, 72, 7G, JN, R4, R7, R8 PNB (PL 6H) ISS: 4U, LA, MV, SI, SY, TN, IPG: 27, 30, 83, 2A, 2B, 2N, 4X, 5M, 8A, 7T, 8A, AK, C2, C5, DL, DU, KN, KP, LF, LY, MA, MC, PQ, R6, T2, T4, T5 T8, WS, TT PSG: 21, 2C, 5X, 7F, 9F, 9H, 9J, AN, BO, MG, MP, TA, TB

PSG SPO Storage Attach US	SWD: LK, R6, LL
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14 11/04/06 X07 HP Confidential





AMS Solutions Partner Organization

## PSG SPO TSG Non-Lead Spec - SWD

RUSH832

Metric Name	WT	AUG	D1 (fulfillment)
PSG SPO Storage Rev US	50	A	I
PSG SPO TSG Rev US	25	A	I
PSG SPO Storage Attach US	25	A	I

Part Period	Semi-Annual
Accelerator Rate	2.5x
Threshold	60%

Row Metric	PSG SPO Storage, Tech Svcs Rev US	PSG SPO TSG: BCS, SWD, Tech Svcs, PNB, ISS Rev US
	SWD: 1Y, 3C, LI, LJ, LK, LL, LM, LN Technology Svcs PL, R8	BCS: 1X, 23, 61, 2M, HA, TQ, TR SWD: 1Y, 3C, LI, LJ, LK, LL, LM, LN Technology Svcs 06, 24, 25, 2P, 4J, 6L, 72, 7G, JN, R4, R7 R8 PNB (PL 6H) ISS: 4U, LA, MV, SI, SY, TN

PSG SPO Storage Attach US	SWD: LK, R8, LL
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75 October 2007 HP Confidential



# AMS Solutions Partner Organization PSG SPO Spec - ISS AMS



GUSH821

Metric Name	WT	A/G	D1 (fulfillment)
PSG SPO ISS Rev AMS	75	A	1
PSG SPO ISS Attach US	25	A	1

Rev Metric Description	PSG SPO ISS, Tech Svcs Rev AMS
Attach US	ISS 4U, LA, MV, SI, SY, TN Technology Svcs PL 06

Part Period	Semi-Annual
Acceleration Rate	2.5x
Threshold	80%

Rev Metric Description	ISS, SI, 4U, 06 LM, 3C, LI, 1Y, LL, LK, TN
Attach US	

76 October 2007 HP Confidential



# AMS Solutions Partner Organization PSG SPO Spec – ISS CSP US



RUSH821

Metric Name	WT	Avg	DI (fulfillment)
PSG SPO ISS Rev AMS	50	A	I
PSG SPO ISS Rollup Rev AMS	25	A	I
PSG SPO ISS Attach US	25	A	I

Perf Period	Semi-Annual
Accelerator Rate	5.0x
Threshold	60%

Rev AMS Tech Svcs	PSG SPO ISS, Tech Svcs Rev AMS (Assigned CSP)	PSG SPO ISS, Tech Svcs Rollup Rev (All CSP's)
ISS: 4U, LA, MV, SI, SY, TN Technology Svcs PL 06	ISS: 4U, LA, MV, SI, SY, TN Technology Svcs PL 06	ISS: 4U, LA, MV, SI, SY, TN Technology Svcs PL 06

PSG SPO ISS Attach US	ISS: SI, 4U, 06 LM, 3C, LI, 1Y, LL, UK, TN
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77 October 2007 HP Confidential



# AMS Solutions Partner Organization PSG SPO Lead Spec - ISS US



RUSH842

Metric Name	Wt	A/G	DI (fulfillment)
PSG SPO ISS Rev AMS	50	A	I
PSG SPO Rev AMS	25	A	I
PSG SPO ISS Attach US	25	A	I

Met Period	Semi-Annual
Accelerator Rate	2.5x
Threshold	60%

PSG SPO ISS, Tech Svcs Rev US	PSG SPO: BCS, SWD, Tech Svcs, PNB, ISS, IPG, PSG Rev AMS
ISS: 4U, LA, MV, SI, SY, TN Technology Svcs PL 06	BCS 1X, 23, 61, 2M, HA, TQ, TR SWD 1Y, 3C, LI, LJ, LK, LL, LM, LN Technology Svcs 06, 24, 25, 2P, 4J, 6L, 72, 7G, JN, R4, R7, R8 PNB (PL 6H) ISS 4U, LA, MV, SI, SY, TN IPG 27, 30, 83, 2A, 2B, 2H, 4X, 5M, 6A, 7T, 8A, AK, C2, C5, DL, DU, KN, KP, LF, LY, MA, MC, PO, R6, T2, T4, T5, T8, WS, TT PSG 21, 2C, 5X, 7F, 9F, 9H, 9J, AN, BO, MG, MP, TA, TB

ISS, SI, 4U, 06, LM, 3C, LI, LY, LL, LK, TN
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78 10/06/2007 HP Confidential



## AMS Solutions Partner Organization

## PSG SPO TSG Non-Lead Spec - ISS US



RUSH830

Metric Name	Wt	A/G	D/I (fulfillment)
PSG SPO ISS Rev AMS	50	A	I
PSG SPO TSG Rev US	25	A	I
PSG SPO ISS Attach US	25	A	I
Part Period	Semi-Annual		
Accelerator Rate	2.5x, 5.0x		
Threshold	60%		

Rev Metric Definition D/I	PSG SPO ISS, Tech Svcs Rev AMS	PSG SPO TSG: BCS, SWD, Tech Svcs, PNB, ISS Rev US
	ISS: 4U, LA, MV, SI, SY, TN Technology Svcs PL 06	BCS: 1X, 23, 61, 2M, HA, TQ, TR SWD: 1Y, 3C, LI, LJ, LK, LL, LM, LN Technology Svcs 06, 24, 25, 2P, 4J, 6L, 72, 7G, JN, R4, R7, R8 PNB (PL 5H) ISS: 4U, LA, MV, SI, SY, TN

PSG SPO ISS Attach US	ISS, SI, 4U, 06, LM, 3C, LI, 1Y, LL, LK, TN
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# AMS Solutions Partner Organization PSG SPO Spec - BCS US



GUSH824

Metric Name	Wt	A/G	Dr (Sufficiency)
PSG SPO BCS Rev US	75	A	I
PSG SPO BCS Attach US	25	A	I

Rev Name	PSG SPO BCS, Tech Svcs Rev US
Rev US	BCS 1X, 23, 61, 2M, HA, TQ, TR Technology Svcs PL's 72, JN

Test Period	Semi-Annual
Acceleration Rate	2.5x
Threshold	60%

PSG SPO BCS Attach US	23, 72, JN, LM, LN, LJ, LK
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# AMS Solutions Partner Organization PSG SPO Lead Spec - BCS US



RUSH843

Metric Name	Wt	A/G	D1 (fulfillment)
PSG SPO BCS Rev US	50	A	I
PSG SPO Rev AMS	25	A	I
PSG SPO BCS Attach US	25	A	I

Part Period	Semi-Annual
Accelerator Rate	2.5x
Threshold	60%

Rev Metric Description	PSG SPO BCS, Tech Svcs Rev US	PSG SPO: BCS, SWD, Tech Svcs, PNB, ISS, IPG, PSG Rev AMS
	BCS: 1X, 23, 61, 2M, HA, TQ, TR SWD: 1Y, 3C, LI, LJ, LK, LL, LM, LN Technology Svcs PL's 72, JN	BCS: 1X, 23, 61, 2M, HA, TQ, TR SWD: 1Y, 3C, LI, LJ, LK, LL, LM, LN Technology Svcs 06, 24, 25, 2P, 4J, 8L, 72, 7G, JN, R4, R7, R8 PNB (PL 6H) ISS: 4U, LA, MV, SI, SY, TN IPG: 27, 30, 83, 2A, 2B, 2N, 4X, 5M, 6A, 7T, 8A, AK, C2, C5, DL, DU, KN, KP, LF, LY, MA, MC, PQ, R6, T2, T4, T5 T8 WS, TT PSG: 21, 2C, 5X, 7F, 9F, 9H, 9J, AN, BO, MG, MP, TA, TB

PSG SPO BCS Attach US	23, 72, JN, LM, LN, LJ, LK
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81 3/24/06 JRM 10/2/06 KSG



## AMS Solutions Partner Organization

## PSG SPO TSG Non-Lead Spec - BCS US



RUSH831

Metric Name	Wt	A/G	Df (fulfillment)
PSG SPO BCS Rev US	50	A	I
PSG SPO TSG Rev US	25	A	I
PSG SPO BCS Attach US	25	A	I

Perf Period	Semi-Annual
Acceleration Rate	2.5x
Threshold	80%

Rev Metric Description	PSG SPO BCS, Tech Svcs Rev US	PSG SPO TSG: BCS, SWD, Tech Svcs, PNB, ISS Rev US
1	BCS: 1X, 23, 61, 2M, HA, TQ, TR Technology Svcs PL's 72, JN	BCS: 1X, 23, 61, 2M, HA, TQ, TR SWD: 1Y, 3C, LJ, LJ, LK, LL, LM, LN Technology Svcs 06, 24, 25, 2P, 4J, 6L, 72, 7G, JN, R4, R7, R8 PNB (PL 6H) ISS 4U, LA, MV, SI, SY, TN, 06

PSG SPO BCS Attach US	23, 72, JN LM LN LJ LK
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52 October 2007 HP Confidential



## AMS Solutions Partner Organization

## PSG SPO Spec – ISS &amp; BCS US



GUSH826

Metric Name	VR	A/G	D1 (fulfillment)
PSG SPO ISS BCS Rev US	75	A	I
PSG SPO ESS Attach US	25	A	I

Rev/Metric Description	PSG SPO ISS-BCS Rev US
	BCS: 1X, 23, 61, 2M, HA, TQ, TR
	ISS: 4U, LA, MV, SI, SY, TN

Perf Period	Semi-Annual
Accelerator Rate	2.5x
Threshold	60%
Notes	Use by Pre-Sales only

Perf SPO ESS Attach US	PL's SI, 4U, 06, 23, 72, LK, JN, RB, 1Y, 3C, LI, LL, TN, ESA
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83 October 2007 HP Confidential



## Conclusion



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The information contained herein is subject to change without notice.

- This section concludes the FY08 SC Plan Communication Session and includes some very important web site links for you.



## FY08 SC Plans

Available November 1, 2007



End To End Sales Compensation: <http://www.salescomp.corp.hp.com/>  
Under Sales Pay Plans (lower right hand corner of page)

### Americas

[http://www.salescomp.corp.hp.com/Plans/FY08/Americas/Americas\\_FY08\\_SCPlans.htm](http://www.salescomp.corp.hp.com/Plans/FY08/Americas/Americas_FY08_SCPlans.htm)

### APJ

[http://www.salescomp.corp.hp.com/Plans/FY08/APJ/APJ\\_FY08\\_SCPlans.htm](http://www.salescomp.corp.hp.com/Plans/FY08/APJ/APJ_FY08_SCPlans.htm)

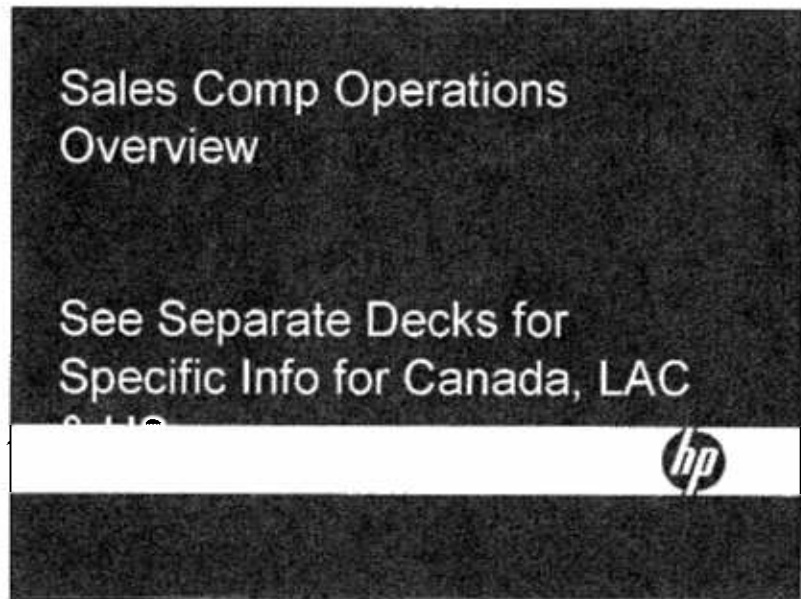
### EMEA

[http://www.salescomp.corp.hp.com/Plans/FY08/EMEA/EMEA\\_FY08\\_SCPlans.htm](http://www.salescomp.corp.hp.com/Plans/FY08/EMEA/EMEA_FY08_SCPlans.htm)



- The FY08 SC Plans will be available via the URL on this slide, you may pause the video now to write down the URL's or this entire section will be available for download on the entry page of Grow@hp so that you may easily hyperlink to all of these web sites in this section.





- Also posted on the website where you can find the SC plans, there are reference materials for Sales Comp Operations.



## Global Sales Compensation Policy


- Employees are encouraged to review the entire Sales Compensation Policy document housed on the Global E2E Sales Compensation web site:
  - <http://www.salescomp.corp.hp.com/Policy/GSCPpolicy.html>



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- An important reference document is the Global Sales Compensation Policy. Sales managers and employees are encouraged to review the policy, located on the E2E Sales Compensation website.





## Your voice counts!

- Please access the following URL to provide feedback on the FY08 Sales Compensation Plan Communication Session:  
– <http://survey.corp.hp.com/2wMKAZJ/Link.html>



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- Thank you for attending today's session
- Your feedback is needed in order to maintain the highest level of quality and improve future communications for you
- Read slide



- Thank you for taking the time to review the FY08 Sales Compensation Plan Communication Session. The Sales Compensation Team hopes that this information was beneficial to you and wish you the utmost success in FY08.



# **EXHIBIT 16**

Last updated on June 10, 2009 by  
Maryneen Duff

## OMEGAOnline Start-up Guide

### What you need to know...

- The Comp plan components are named differently than FY08. A matrix is being developed to help you understand the naming convention.
- All sales assignment changes approved through TSG Governance as of May 22 have been completed in OMEGA and reflected in your June 30 settlement.
- Sales Letters are currently being updated with sales assignment changes and will be released as soon as they are audited.
- Manual Claims is open now and will be throughout the year.
- The Global Incentive Statement (GIS) is updated monthly and may not align with daily OMEGAOnline content.

### I still need help --

- Reach out to your SCO Support representative
- Take OMEGAOnline Training through ASO Academy

Hyperlinks accessed in presentation mode

### Order number or Invoice number

- From the "Reports for an individual" menu:
1. Choose Find Transactions on the left nav
  2. Select period
  3. Enter order number or invoice number
- \*Note: the larger the period, the longer the processing time

### Product Line, AMID, Customer name

- From the "Reports for an individual" menu:
1. Choose the Sales Credit Reporting menu item.
  2. Then choose the View Credits by Customer (AMID2) (or one of the other options - Product line, Customer Name, Customer (AMID4) or Business Unit/Customer
  3. Set the Period to be Cumulative - or monthly - by quarter or by half
  4. The last step is to select the By Plan Component. Choose Quota Non-Paying to see a detail list of all plan components.
- \*Note: When entering Customer name, use the wild card key to open your options e.g. instead of "Microsoft" use "Micro"

### Overall Performance to my sales plan

- From the "Reports for an individual" menu:
1. Choose the Individual Performance menu item.
  2. Your overall performance to your sales plan is shown on the first screen.
  3. As usual you may drill down on any underlined value

# **EXHIBIT 17**

**From:** Americas Sales Comp Ops  
**Sent:** Wednesday, April 25, 2007 10:35 PM  
**To:** Americas Software All  
**Cc:** Kidd-Directs; SCO-AMS; Barsamian, Sue; Kerr, Alan; Roy, Craig; Wong, Rocky; Scott, David Edward (VP, Software-Americas); Neal, Charles; Carter, Elizabeth M (Liz)  
**Subject:** US Sales Comp Memo: Important US Sales Compensation Resources & Tools

**Follow Up Flag:** Follow up  
**Flag Status:** Blue

**Attachments:** Picture (Enhanced Metafile)



Americas Sales Compensation Operations  
 April 25

**To:** US HP SW Sales Team  
**From:** Becky Kidd, Sales Compensation Operations  
**Subject:** Important US Sales Compensation Resources and Tools

The purpose of this message is to provide guidance on accessing US Sales Compensation tools and address some commonly asked questions. We realize that easy access to clear terms and accurate commission information is a "must have" for a world-class sales team. While we work on on-going improvements to our systems and documentation, please use the instructions below for quick access to valuable existing information.

Please keep in mind that most of the information can be accessed from the Personal Information Page (PIP) located on the Americas SCO web site.

#### **How do I calculate my commissions earned?**

The Compensation Awareness Sales Helper (C.A.\$.H.) Calculator enables sales reps to calculate a total period incentive payment.

- Access Americas SCO Web site @ <http://americas-sales-comp.corp.hp.com/>
  - Select "Personal Information Page (PIP)" located on horizontal menu bar
  - Select "C.A.\$.H. Calculator"
    - Rep must insert:
      - Annual Target Incentive Amount (TIA) located at the top of the PIP when you first log in.
      - Number of months on sales plan (HP = 12 mo., Mercury = 10 mo.)
      - PERFORMANCE for each revenue category. You will be able to view where you are to date against quota performance. So, if you're at 120%, you would enter 120%.
- C.A.\$.H. will do the rest!!!

#### **Where do I go to see details on the actuals booked?**

- Access Americas SCO Web site @ <http://americas-sales-comp.corp.hp.com/>
- Select "OMEGAonline" located on horizontal menu bar
- Select "Individual Performance"
  - Click on "Actuals" figure to drill down to details

#### **Where can I view my compensation plan details?**

- Access Americas SCO Web site @ <http://americas-sales-comp.corp.hp.com/>
- Select "Personal Information Page PIP)" located on horizontal menu bar
- Select "1H07 Credit Comp Plan"

- Includes: Sales Role, Performance Period, URL Links to: personal sales letter/goal sheet, Plan Metrics, Plan Multipliers, and any Bonus/Spiff opportunities

For additional details of your plan, including product lines you're credited for, view your sales specialty code plan at: [http://www.salescomp.corp.hp.com/Plans/Americas/Americas\\_FY07\\_SCPlans.htm](http://www.salescomp.corp.hp.com/Plans/Americas/Americas_FY07_SCPlans.htm)

Sales Compensation is also working on improving how to access all of your sales compensation plan details in a "one stop environment" for FY08.

Additional Sales Compensation questions may be addressed to the SCO Support Center at 1-800-244-1407 or send an email with your Business Unit: TSG in the subject line to SCO Support Center. Turn around time for general questions regarding issues such as sales comp plan metrics and web tool access will be responded to within 24 hours. More complicated crediting research will receive an initial assignment within one business day and resolution within the sales calendar timelines posted on our website. (i.e. missing credits for indirect orders). You will receive an email confirmation when the support center receives your inquiry with a tracking number to reference.

---

#### **Top Six Most Frequently Asked Questions:**

We have heard from many of you that there are still questions regarding sales compensation. Here are a few of the most frequently asked questions. We are also hosting two Q&A webcast sessions on **May 1st & May 7th**. These webcasts are being hosted by Sales Compensation to provide additional details on how to access our web tools and help address any other sales compensation questions you may have. Look for an invite soon to attend one of these two informational sessions!

#### **Most Recent Frequently Asked Questions:**

1) Q: When should I expect to see credit for orders that go through a channel partner versus direct?

A: HP reporting partners can take between 30-45 days to report end user data for crediting.

*In Q1'07 HP experienced data latency issues with reporting partners that resulted in delayed Q1 credits.*

*This issue has been resolved and credits for Q1'07 should show up in next week's Omega Online statements.*

2) Q: When can I expect to see credit for order requiring manual intervention including:

-SuperGEO credits

-Q2 Holdover Accounts credit splits

- Multi-rep account credits and debits

A: All of these credit situations are through a manual process in partnership between Sales Compensation Operations & HP SW Sales Operations.

*Sales Compensation Operations & HP SW Sales Ops have been working on pulling the appropriate data for Q207 credits. Those credits should be paid out in your May 31st and June 30th paychecks. Ongoing credits and adjustments that require manual intervention will be paid a month in the arrears going forward.*

3) Q: When should I expect to see actuals for orders that I closed show up on my OMEGA Online statement?

A: OMEGA On-Line is updated on a weekly basis. Every weekend we get a new feed from our data sources (i.e. order management). For example: If you close a deal on April 18th, and it ships on April 19th, then you should see that credit show up in OMEGA Online the following week (April 23rd). If it's an order that went through a channel partner, it could take up to 30-45 days to see this credit depending on when the partner reports end user data to HP.

4) Q: When should I expect to be paid on orders that close and ship in April?

A: HP pays commissions earned a month in the arrears, so if your order ships by the revenue reorganization cut off date, then you would be paid for your April shipments on May 31st. All commission payouts are paid at the end of each month for the previous month shipments.

5) Q: I am a former Peregrine sales rep who is still owed 2H06 commissions earned, what should I expect to see that payment?

A: Former Peregrine Sales managers, sales reps and Alliance reps will see their final 2H06 commission payments in the April 30th paycheck. Data is still being processed for the final sales credit for the solution architect team.

6) Q: SAP has done a LoadRunner resale transaction in my territory. Where can I find information on this transaction and when will I be commissioned on it?

A: There is a team of people from finance, global alliances and sales operations working on this issue. There are global revenue recognition and tax implications to these transactions. Those implications need to be addressed before there is clarity on how you will get access to information or be commissioned on these transactions. Look for an update from management in the near future.



# **EXHIBIT 18**



**FY05**

**U.S. SALES COMPENSATION**

**INCENTIVE PAY**

**ADMINISTRATION POLICY**

(previously known as the U.S. Sales Incentive Compensation Policy)

FY05 U.S. Sales Compensation Incentive Pay Administration Policy

V1.0 Effective 11/01/04 – HP Restricted

## Table of Contents

Introduction.....	1
TARGET INCENTIVES.....	2
Incentive Plans.....	3
INCENTIVE COMPONENTS .....	3
ACCELERATED INCENTIVES.....	3
BONUS AND SPECIAL INCENTIVES FOR FOCUS (SPIF) COMPENSATION .....	4
BENEFITS CALCULATION .....	5
Participating in the Plan.....	6
ACKNOWLEDGED GOAL SHEETS .....	6
Incentive Pay Mechanics.....	7
PERFORMANCE PERIOD .....	7
PAYMENT FREQUENCY .....	7
INCENTIVE MULTIPLIERS .....	7
PAYMENT CAP .....	7
PERIOD-TO-DATE MULTIPLIER METHODOLOGY .....	8
FOCUSED SALES OBJECTIVES (FSO).....	8
NEW TO SALES .....	8
PAYMENT AT 100% TIA .....	9
OVERTIME FOR NON-EXEMPT WAGE CLASS .....	9
CHANGES TO PAY OR JOB CODE .....	9
SALARY INCREASES.....	9
PROMOTIONS .....	9
PRORATION .....	10
RETROACTIVE PLAN ASSIGNMENTS .....	18
NEW PLANS OR PLAN MODIFICATIONS (MID-PERFORMANCE PERIOD).....	19
ADJUSTMENTS TO SALES ASSIGNMENTS (MID-PERFORMANCE PERIOD) .....	19
Draw .....	20
DEFINITION OF DRAW .....	20

FY05 U.S. Sales Compensation Incentive Pay Administration Policy

V1.0 Effective 11/01/04 – HP Restricted

ii

## Table of Contents

ELIGIBILITY FOR DRAW .....	20
DRAW PAYMENTS .....	20
DRAW CALCULATION .....	21
DRAW RECOVERY .....	21
Liability .....	22
NEGATIVE INCENTIVES .....	22
REPAYMENT .....	22
Incentive Performance Review .....	23
Appendix A: Incentive Pay Definitions .....	24
Appendix B: Documents Associated With Incentive Compensation ...	27

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## **FY05 U.S. Sales Compensation Incentive Pay Administration Policy**

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This FY05 U.S. Sales Incentive Compensation Policy is intended solely for the use of U.S. Sales employees and those organizations that support them. This book is intended for all incentive employees, including sales executive managers, participating in a sales incentive plan from November 2004 through October 2005 (FY05).

All U.S. Sales Incentive Credit and Compensation Plans (Sales Plans) and this Policy are Hewlett-Packard (HP) Restricted and for internal use only.

Nothing in the Sales Plans, U.S. Sales Incentive Credit Policy, or this Policy shall be construed to imply the creation of or existence of a contract between Hewlett-Packard and any participant, nor a guarantee of employment for any specified period of time. No Sales Plan participant will have any right to monies accrued through the plan until and unless all terms, provisions, and conditions, as set forth in the assigned Sales Plan have been met. Hewlett-Packard reserves the right to adjust the assigned Sales Plan to address significant unforeseen business issues.

Hewlett-Packard reserves the right to change this Policy, with or without notice, at any time.

**Employees leaving Hewlett-Packard are required to return this book and all materials concerning the FY05 U.S. Sales Incentive Compensation Plan to their managers.**

*Americas Sales Compensation Operations (SCO)*

## Introduction

HP's Sales Compensation Program recognizes that while overall pay practices should be consistent throughout HP, specifically tailored sales incentive plans must be available to support the tactical sales objectives of each sales organization. This program enables HP to meet two important sales compensation objectives:

- **Global Sales Incentive Pay Consistency**

The program is designed to ensure consistency of Sales Plans across HP through the application of a consistent incentive design methodology while affording flexibility to each sales organization in the design of unique compensation solutions for their field jobs. Plan design is based upon a standard framework determined by The Worldwide End to End (E2E) Sales Comp Organization. Exceptions to the standard framework must be approved by the Worldwide E2E Sales Comp Organization.

- **Business Focus**

HP recognizes the Businesses serve diverse markets. The sales process and skill sets required to effectively serve each market may vary considerably by sales organization. HP seeks to enable each Business to develop Sales Plans to best meet their unique business needs.

To meet both of these objectives, similar jobs, regardless of sales organization, are being treated similarly regarding eligibility for sales compensation, on-target compensation levels, pay mix and multipliers. Each sales organization is engaged to establish performance measures, payment formulas and caps, performance period, payment frequency, and quota setting.

This document is the primary source of Incentive Compensation policy and practice within the United States. The Americas Sales Compensation Manager and/or the appropriate Sales Vice President must approve exceptions to this documented policy. The Corporate Sales Compensation Council and the Worldwide E2E Sales Compensation Organization are responsible for global policy that affects U.S. policy. For any discrepancies with worldwide policy, U.S. policy will prevail.

The following documents are sources of additional information related to incentive compensation policy issues. Incentive employees are expected to read these policies and discuss any questions with management. Any changes or exceptions to these policies must be approved by the responsible organization as indicated below.

Policy	Web Address	Responsible Party
Corporate Marketing Policy (includes Sales Force Management Policy, Sales Credit Policy and Sales Awards Policy, Order Acceptance)	<a href="http://customerops.corp.hp.com/policies/index.html">http://customerops.corp.hp.com/policies/index.html</a>	Customer Relationship Management
U.S. Sales Incentive Credit Policy	<a href="http://americas-sales-comp.corp.hp.com/">http://americas-sales-comp.corp.hp.com/</a>	Americas Sales Compensation Operations Organization
Personnel Policies and Guidelines (PPG) (includes HP Staffing, Compensation, Benefits, Time Off and Termination Policies)	<a href="http://persweb.corp.hp.com/ppg/">http://persweb.corp.hp.com/ppg/</a>	Human Resources

These policies, as updated, supersede any prior policies. If any conflict or inconsistencies exist between these documents, this U.S. Sales Incentive Compensation Policy shall take precedence.

FY05 U.S. Sales Compensation Incentive Pay Administration Policy

V1.0 Effective 11/01/04 – HP Restricted

1

## Incentive Plans

Incentive employees are paid a combination of a fixed base salary and variable incentive pay. Both components are contingent upon two critical company-issued codes, job code and OMEGA Sales Specialty Code.

### TARGET INCENTIVES

Incentive pay is the variable portion of Total Compensation. Incentive payments are based on goal attainment, determined by assigned Sales Specialty. Target incentive is the amount that is paid for 100% goal attainment. Target incentive is a fixed amount determined by Job Code and Job Level. Incentive employees will have the same Target Incentive when they have the following data elements in common:

- **Job Code**

Job codes are created by Global Compensation and define Job Level and Job Family. Incorrect job codes will result in incorrect pay. Managers are responsible for ensuring their sales employees have the correct sales job codes.

- **Job Level**

Job Level refers to the typical responsibilities associated with a particular job.

- **OMEGA Sales Specialty Code**

Each sales organization has unique codes to identify its sales incentive plans. The OMEGA Sales Specialty Code defines the following information:

- Applicable performance measures (volume, Focused Sales Objectives (FSO), bonus)
- Formulas, accelerators, and crediting rules associated with the incentive plan
- Performance Period (i.e., discrete monthly, quarterly, semi-annual or annual)

Example:

<b>Job Code</b>	00962C
<b>Job Level</b>	Intermediate
<b>OMEGA Sales Specialty Code</b>	5EAW1
<b>Target Incentive</b>	\$44,400
<b>Performance Period</b>	Semi-Annual

Target incentives are apportioned to one or more incentive plan components (volume and/or FSO goals). Refer to your Sales Plan, accessible from the Americas Sales Compensation Organization (SCO) website: <http://americas-sales-comp.corp.hp.com>

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## Incentive Plans

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### INCENTIVE COMPONENTS

Incentive components are the criteria by which an incentive employee's performance is linked to incentive compensation opportunities. Each incentive employee is assigned a Sales Incentive Credit and Compensation Plan and Goal Sheet that outline the incentive components that apply:

- **Volume Incentive**

A volume incentive opportunity is the portion of total target incentive compensation that is based on sales volume performance against the quota for the defined performance period. Sales management will establish quotas for each sales representative based on their selling assignment.

- **Focused Sales Objectives FSOs**

Some unique sales positions are paid on strategic objectives as opposed to pure volume performance. Immediate managers are responsible for designing FSOs via a web-based on-line tool (in accordance with guidelines) in consultation with the employee and an Americas Segment Sales Incentive Design Lead at the beginning of each performance period. FSOs are typically paid quarterly.

The on-line FSO application and the detailed FSO Process Guidelines are available to the manager on the Americas Sales Compensation website: <http://americas-sales-comp.corp.hp.com/>

- **Other Performance Metrics**

Other performance measures such as Margin Performance or Total Customer Experience (TCE) also may be included as incentive components of a defined Sales Plan.

- **Bonus and SPIFs**

Additional incentive compensation may be available pursuant to the terms of documented and approved Bonus and SPIF programs. Target payment, program period and payment frequency will vary by program.

### ACCELERATED INCENTIVES

Incentive employees may receive accelerated incentive rates for goal attainment over 100%. Goal attainment for each incentive component can be independently measured. Refer to your Sales Plan for specific details.



## Incentive Plans

### BONUS AND SPECIAL INCENTIVES FOR FOCUS (SPIF) COMPENSATION

Approved On-Top Bonus and SPIF programs offer opportunities to earn incentives over and above those identified within the Sales Plan. There are two types of incentive bonus programs: "On-Top" and "Special Incentives for Focus (SPIF)."

	On-Top Bonus Programs	SPIF Programs
<b>Bonus Program Definition and Design Guidelines</b>	On-Top Bonus Programs are established at the beginning of a performance period as integral components of the Sales Plan to augment a key area.	<p>SPIF Programs are developed and announced for implementation at any time during a performance period (though typically at the beginning of a quarter or half) to incent and reward focus on a particular product, market, or desired sales behavior.</p> <p>SPIF programs typically involve contests or other competitive scenarios to meet a unique need within a short, specified period of time.</p>
	<p>On-Top Bonus and SPIF programs must be designed according to worldwide design guidelines documented by the Corporate Sales Compensation Council, the Worldwide E2E Sales Comp Organization and the U.S. E2E Sales Comp Organization.</p> <p>On-Top Bonus and SPIF programs are designed to compensate with cash incentives only. E-Awards and point-driven gift programs are not valid methods for compensating On-Top Bonus and SPIF programs. On-Top Bonus and SPIF programs are administered by the Americas Sales Compensation Operations Organization.</p>	
<b>Bonus Program Approval</b>	Approvals for on-top bonuses are obtained in the design phase of a new performance period.	SPIFs are typically implemented at the beginning of a quarter or half according to an established request submission/approval schedule.
	<p>The Americas Sales Incentive Design Organization, Sales Vice President and Human Resources Vice President must review and approve all Bonus and SPIF programs before they are communicated to the targeted sales population(s). Bonus and SPIF programs must not interfere with each other or divert attention from defined Sales Plans.</p>	

## Incentive Plans

<b>Eligibility / Proration</b>	<p>Participation in a bonus program (On-Top or SPIF) is determined as follows:</p> <ul style="list-style-type: none"> <li>▪ Eligibility for incremental earnings opportunities is based on defined bonus program criteria is determined by job code and/or Sales Specialty.</li> <li>▪ Employee must be in an eligible job code and/or Sales Specialty, in active status, at the end of the bonus program period to be eligible to receive incentives under the program.</li> <li>▪ Employee must be an HP employee, in active status, at the time of bonus payment to receive bonus incentives earned (while in an eligible job code/position) under the program.</li> <li>▪ Employees on 100% Target Incentive Amount (TIA) are ineligible for bonuses.</li> <li>▪ For six month <b>SPIF</b> programs, employee must be in an eligible Sales Specialty for at least 50% of the program period to earn incentives under the program. If 50% time is met, the individual is eligible for the full (not pro-rated) bonus amount earned. If 50% of time is not met, employee is not eligible to earn any incentives under the SPIF program.</li> <li>▪ For three month <b>SPIF</b> programs, employee must be in an eligible Sales Specialty for at least the last full month of the program period to earn incentives under the program. If one month time period is met, the individual is eligible for the full (not pro-rated) bonus amount. If one month time period is not met, employee is not eligible to earn any incentives under the SPIF program.</li> <li>▪ <b>On-top bonus</b> earnings are pro-rated based on number of months in eligible Sales Specialty during the program performance period.</li> <li>▪ For more specific eligibility by program, refer to Bonus and SPIF program documentation, accessible from the Americas SCO website: <a href="http://americas-sales-comp.corp.hp.com/">http://americas-sales-comp.corp.hp.com/</a></li> </ul>
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### BENEFITS CALCULATION

All volume and FSO incentive payments that are tied to pay-at-risk will be included in the total amount of pay for calculating stock purchase and 401k. Incentive employees are not eligible for the Company Performance Bonus (CPB) or Pay for Results (PFR). On-Top and SPIF Bonuses are not tied to at-risk pay and are not benefit-eligible. Benefits on incentive pay are recognized in the period incentives are paid. For further details regarding benefits please refer to the BeneFLEX information on the HP Portal.

FY05 U.S. Sales Compensation Incentive Pay Administration Policy

V1.0 Effective 11/01/04 – HP Restricted

5

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## Participating in the Plan

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The following is required to participate in a HP Sales Plan:

- Eligible Sales Job Code for FY05
- OMEGA Sales Specialty Code for FY05
- FY05 goal sheet, acknowledged by Employee and Manager
- Active status in HR system, working 20-40 hours per week

### ACKNOWLEDGED GOAL SHEETS

The Americas Sales Compensation Operations (SCO) Organization owns quota setting and goal sheet information assignment. Managers of plan participants are responsible for the process to ensure goal sheet review completion and acknowledgement at the manager and employee level.

All quarterly, semi-annual, and annual plans will have goal sheets created as early as possible in the plan performance period. Electronic goal sheets are assigned and must be acknowledged within 30 days after the goal sheets are distributed.

All employees with sales responsibility must have an assigned and acknowledged goal sheet in place related to their sales assignment. If a goal sheet is unsigned at the end of the 30-day period, immediate action will be taken to determine why it has not been acknowledged.

If the unsigned goal sheet situation is the result of "refusal" to sign by the incentive employee, sales incentives will not be paid beyond recoverable draw payments already issued until a resolution is determined. With approval from Americas SCO and Human Resources, the individual may receive an additional month of recoverable draw payment while the situation is resolved if the resolution is not reached prior to a standard incentive payment cycle. Final resolution of any such dispute is within the sole discretion of Americas SCO and Sales Management.

If the unsigned goal sheet situation is due to any other cause, sales incentives will be paid to the individual while the goal sheet status is resolved. The Sales Manager must document in writing to Human Resources the reason for failure to comply with goal sheet processes and rectify the situation so a goal sheet is completed as quickly as practical.

If an incentive employee is on leave and unable to sign a goal sheet at the beginning of a performance period, and leave status extends beyond 90 days, the individual will not be considered an active participant in the plan during the first 90 days of leave. For days 1 through 90, employee will be paid via the standard Short Term Disability policy.

If an incentive employee begins a leave for 90 days or more without goal sheet acknowledgement, goal sheet must be acknowledged immediately upon return from leave in order to participate in the Sales Plan. Goal sheet acknowledgement is not required if an incentive employee's accounts or territory was covered by another incentive employee in their absence.

Individuals terminating or transferring to a non-sales role prior to the assignment or acknowledgement of a goal sheet will be paid at 100% of the target incentive (pro-rated for the period of active status). This amount is subject to recovery of any liabilities.

FY05 U.S. Sales Compensation Incentive Pay Administration Policy

V1.0 Effective 11/01/04 – HP Restricted

6

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## Incentive Pay Mechanics

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The following explains the foundation of incentive pay mechanics and factors that determine an incentive payment.

### PERFORMANCE PERIOD

The performance period is the time period for measuring performance for incentive purposes. A quarterly, semi-annual or annual performance period utilizes total period goals (quota and/or focused sales objectives) as the basis for performance measurement.

### PAYMENT FREQUENCY

Payment frequency refers to how often an incentive payment is delivered to an employee. Payments generally occur monthly, quarterly, semi-annually or annually. The payment frequency that applies to each incentive component is contained in the Sales Plan for each incentive employee. Actual pay dates are identified in the Incentive Pay Calendar, which can be found on the Americas SCO website: <http://americas-sales-comp.corp.hp.com/>

### INCENTIVE MULTIPLIERS

Each performance measure within a Sales Plan has defined incentive multipliers. Multipliers are applied depending on level of performance to deliver incentive pay at a defined rate for each identified threshold. Multipliers apply to under 100% performance (slope) as well as over 100% performance (accelerator). Attainment of 100% incentive component performance will result in total payment of 100% of the Target Incentive Amount assigned to that component.

An accelerated multiplier (accelerator) is applied to over-achievement performance (in excess of 100% goal attainment for the performance period) to deliver incentive pay at a higher rate. For example, if the accelerator is 3, the rep will receive 3% of the entire performance period's target volume incentive for every 1% of quota achieved over 100% quota attainment. Accelerators are calculated based on upside potential and ramps set for top performers so they may differ for various sales models and positions.

Accelerators may be "gated" in plans with single or multiple performance measures. A standard gate is a performance threshold that must be met before any accelerators will be paid. Accelerators for each performance measure may be deferred until the gate for each performance measure is met. Alternatively, each performance measure of a plan may offer standard and premium rate levels, based on meeting performance gates relative to embedded sub-quotas. Refer to your Sales Plan for specific details.

### PAYMENT CAP

Incentive pay may be capped in any given performance period based upon levels identified by the Worldwide E2E Sales Compensation Organization. The payment cap applies to total incentive earnings (exclusive of Bonus and SPIF earnings) for the performance period. Bonus and SPIF compensation is not subject to such payment cap. Refer to your Sales Plan to determine the payment cap (based on a defined percent of TIA) that applies to your incentive pay.

**NOTE:** If your payment cap is reached, OmegaOnline continues to report all credits and your accumulated performance percent.

## Incentive Pay Mechanics

### PERIOD-TO-DATE MULTIPLIER METHODOLOGY

The quota attainment percentage is determined by dividing the cumulative period-to-date sales by the quota that applies to the entire performance period, usually 3 or 6 months. For example, in the fifth month of a 6-month performance period, sales for one component for those five months will be measured against the 6-month quota for that component. This percentage is then multiplied by the target incentive amount allocated to this component for the entire performance period.

If the period-to-date amount previously paid in the current performance period exceeds the amount calculated on a period-to-date basis, no incentive will be paid in the current payment period.

Following is an example of a monthly incentive payment frequency with a semi-annual performance period ("M" equals "month"):

Performance Period (Quota)	Basis for Pay Calculation (Cumulative Sales)	Performance Calculation	Incentive Payment*
6 Months	M1	M1 sales/6 months quota	PTD earned
6 Months	M1 thru M2	M1 thru M2 sales/6 months quota	PTD earned less PTD payment
6 Months	M1 thru M3	M1 thru M3 sales/6 months quota	PTD earned less PTD payments
6 Months	M1 thru M4	M1 thru M4 sales/6 months quota	PTD earned less PTD payments
6 Months	M1 thru M5	M1 thru M5 sales/6 months quota	PTD earned less PTD payments
6 Months	M1 thru M6	M1 thru M6 sales/6 months quota	PTD earned less PTD payments

\*Not to exceed identified plan cap

### FOCUSED SALES OBJECTIVES (FSO)

Eligible incentive employees may view their individual FSO goals and related calculations on the Americas Sales Compensation website: <http://americas-sales-comp.corp.hp.com/>

FSO definitions must be submitted at the beginning of a performance period. If an FSO payment approval is not submitted within the deadlines outlined in the FSO Process Guidelines, payment to the employee will occur in the next pay cycle.

### NEW TO SALES

New hires or employees transferring from another function into sales (if hired or transferred within the month/quarter) are treated as follows:

- Base + 100% target incentive paid for the designated period (i.e. monthly/quarterly)
- Paid via "NEW" Omega Sales Specialty Code from date incentive job code is assigned until active in incentive plan. The standard timeframe for payment at 100% target incentive is 2 full calendar months, or until required business training is complete. Payment of 100% target incentive for periods longer than 2 full calendar months (for reasons other than required business training) must be reviewed by the Americas Segment Sales Incentive Design Lead and approved by Americas Sales Compensation E2E Governance Council and Sales Vice President.

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## Incentive Pay Mechanics

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- May be assigned to incentive plan as early as the first of the month following payment at 100% target incentive (whether on quarterly, semi-annual or annual plan).

**Example:** Hire date is February 11. Incentive plan start date could be March 1 (following month), April 1 (after one full month at 100% TIA payment), or May 1 (after two full months at 100% TIA payment).

- If the first of the month falls on a weekend or holiday, incentive plan assignments are effective for the full month.

**NOTE:** This methodology applies to automated and manually administered plans.

### PAYMENT AT 100% TIA

Some business situations may warrant payment of base pay plus 100% target incentive. For payment of 100% TIA (for situations other than "New to Sales" explained above) approval is required from the Americas E2E Sales Compensation Core Team, and the respective Sales Vice President. The Americas Sales Compensation Organization is responsible for submitting such requests to the Americas E2E Sales Compensation Core Team for exception review.

### OVERTIME FOR NON-EXEMPT WAGE CLASS

The Fair Labor Standards Act (FLSA) mandates that base pay plus earned incentives be used to determine the appropriate hourly rate for overtime hours worked each month. All incentive pay (including draws, bonuses, SPIFs, etc.) qualifies for overtime calculation. Total standard hours worked will be added to total overtime hours worked to determine an appropriate hourly rate. The payroll system will pay standard and overtime hours worked at base rate; the Americas Sales Compensation Operations Organization will calculate and submit an overtime adjustment to Payroll on a monthly basis for the incentive portion of overtime pay.

### CHANGES TO PAY OR JOB CODE

All changes in base pay, target pay, or job code originate from the manager of the employee and must be submitted to Human Resources for approval.

### SALARY INCREASES

Base salary increases do not impact incentive pay.

### PROMOTIONS

All promotions:

- Change job code
- Impact target incentives
- May impact OMEGA Sales Specialty Code
- Applicable OMEGA Sales Specialty code will become effective the first of the following month if promotion is effective mid-month

FY05 U.S. Sales Compensation Incentive Pay Administration Policy

V1.0 Effective 11/01/04 – HP Restricted

9

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## Incentive Pay Mechanics

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Incentive pay changes applicable for promotions will be reflected in the first monthly pay cycle following the effective date of the promotion.

### **PRORATION**

Each Sales Plan is effective for a specified timeframe (performance period). If an employee participates in a plan for less than the performance period, target incentive amount, goals and incentive pay may be prorated. Additional details pertaining to FSO proration are contained in the "FY2005 FSO Process Guidelines." All incentive payments, including prorated payments, are processed per the standard OMEGA pay cycles, unless otherwise required by law. The following table lists various conditions and how proration will affect incentive pay. Prorations are calculated in whole month increments unless otherwise specified.

**NOTE:** In all proration scenarios, the plan cap noted in an employee's Sales Plan would be calculated based upon pro-rated TIA, based upon number of months employee participated in Sales Plan..



## Incentive Pay Mechanics

PRORATION	
Scenario	Effect on Incentive Compensation
<b>Transfers</b>  Transfers to an eligible sales assignment after the start of the performance period from a non sales position	<ul style="list-style-type: none"> <li>▪ Goals are set and incentives are prorated based on effective date employee became active in the incentive plan.</li> <li>▪ Employee receives credits starting first full month on the plan.</li> </ul>
<b>New Sales Role</b>  Change to Sales Plan or OMEGA Sales Specialty  (Change from one sales role to another sales role)	<ul style="list-style-type: none"> <li>▪ Both assignments are treated separately to determine the performance levels.</li> <li>▪ Incentives (TIA, goals and pay) are prorated based on the number of full months in each assignment.</li> <li>▪ Receive credit through the month assignment ends, then new assignment begins first of following month.</li> <li>▪ Receive earned FSO attainment based on both plans. The employee's prior and current sales managers may have to coordinate a combined FSO payment for results achieved.</li> </ul>
<b>Short Term Disability (STD)</b>  Leave of absence less than or equal to 26 weeks  (Includes Maternity Leave)	<ul style="list-style-type: none"> <li>▪ Employee is paid 100% target pay (base pay + TIA) for weeks 1-8 and 75% target pay for weeks 9-26. These monies are distributed by HP's disability vendor. Omega incentives are temporarily held until employee returns to work or terminates from HP. The terms of HP's STD policy will govern.</li> <li>▪ Employee continues to be eligible for incentive pay for 90 days within the STD period, if incentives earned are greater than disability benefit paid. If the STD extends beyond 90 days, the opportunity to earn additional incentives above the value of the disability benefit ceases as of day 91.</li> <li>▪ Should the incentive plan be in a draw payment cycle prior to the STD, prorated draws may be paid. After the STD begins, no draw is paid.</li> <li>▪ Sales Management may elect to reassign quota/credit if business is critical.</li> <li>▪ If quota is reassigned, payments will be prorated based upon number of months employee is active in the performance period prior to start of leave. Payment will be distributed as soon as incentives are calculated on next OMEGA pay cycle.</li> <li>▪ In the event an employee goes on STD and is not active in a sales plan, employee will receive applicable TIA percentage only until STD period ends.</li> <li>▪ Vacation time taken immediately following a STD does not</li> </ul>

FY05 U.S. Sales Compensation Incentive Pay Administration Policy

V1.0 Effective 11/01/04 – HP Restricted

11



## Incentive Pay Mechanics

PRORATION	
Scenario	Effect on Incentive Compensation
	<p>count as active selling time.</p> <ul style="list-style-type: none"> <li>▪ Upon return to active selling, incentives earned while on STD are reviewed and compared to TIA paid. If incentives earned exceed TIA paid, the differential is paid, provided leave is less than 90 days.</li> <li>▪ Employees paid on an incentive plan with a volume component returning from a leave longer than 90 days to an incentive assignment will have incentives recalculated for the period prior to the LOA.</li> <li>▪ Upon return from leave, no proration of previously paid FSOs will occur.</li> <li>▪ If the employee is placed on 100% TIA upon return, a recalculation of prior period performance will occur.</li> <li>▪ If an employee returns from leave mid-month and remained active in a quota-carrying sales specialty, the employee is paid base salary plus 100% TIA, prorated for days worked in month of return. If employee was removed from his/her sales plan for the period of STD, reassignment of the employee to an incentive plan occurs at the start of the first full month upon return. This proration methodology applies to employees returning from leave in the same plan period or a new plan period.</li> </ul>
<b>Long Term Disability (LTD)</b>  Leave of absence greater than 26 weeks	<ul style="list-style-type: none"> <li>▪ During the LTD period, the individual is removed from the incentive plan and quota/credits are reassigned; therefore no incentive pay is due.</li> <li>▪ Incentive payments are prorated for time assigned to an active selling OMEGA sales specialty.</li> <li>▪ Upon return from leave, no proration of previously paid FSOs will occur.</li> <li>▪ If an employee returns from leave mid-month the employee is paid base salary plus 100% TIA, prorated for days worked in month of return. Reassignment of the employee to an incentive plan occurs at the start of the first full month upon return. This proration methodology applies to employees returning from leave in the same plan period or a new plan period.</li> </ul>

FY05 U.S. Sales Compensation Incentive Pay Administration Policy

V1.0 Effective 11/01/04 – HP Restricted

12

## Incentive Pay Mechanics

PRORATION	
Scenario	Effect on Incentive Compensation
<p><b>Family Medical LOA (FMLA)</b></p> <p>Leave of absence up to 12 consecutive weeks for certain medical and family related circumstances.</p> <p><b>NOTE:</b> For situations where FMLA time is granted for non-consecutive periods, employee should discuss treatment of incentive pay with his/her Sales Manager and Americas SCO SCC Manager.</p>	<ul style="list-style-type: none"> <li>▪ Employee is not eligible for any incentive pay while on FMLA unless employee also qualifies for STD benefits.</li> <li>▪ Shipments for the month FMLA begins may continue to post and any incentives due for the period prior to the FMLA will be paid on the regular pay cycle until the close of the performance period in the OMEGA pay system.</li> <li>▪ Should the incentive plan be in a draw payment cycle prior to the FMLA, prorated draws may be paid. After the FMLA begins, no draw is paid.</li> <li>▪ Sales Management may elect to reassign quota/credit if business is critical.</li> <li>▪ If quota is reassigned, payments will be prorated based upon number of months employee is active in the performance period prior to start of leave. Payment will be distributed as soon as incentives are calculated on next OMEGA pay cycle.</li> <li>▪ Vacation time taken immediately following a FMLA does not count as active selling time.</li> <li>▪ Employees paid on an incentive plan with a volume component returning from a leave longer than 90 days to an incentive assignment will have incentives recalculated for the period prior to the LOA.</li> <li>▪ Upon return from leave, no proration of previously paid FSOs will occur.</li> <li>▪ If the employee is placed on 100% TIA upon return, a recalculation of prior period performance will occur.</li> <li>▪ If an employee returns from leave mid-month and remained active in a quota-carrying sales specialty, the employee is paid base salary plus 100% TIA, prorated for days worked in month of return. If employee was removed from his/her sales plan for the period of FMLA, reassignment of the employee to an incentive plan occurs at the start of the first full month upon return. This proration methodology applies to employees returning from leave in the same plan period or a new plan period.</li> </ul>

FY05 U.S. Sales Compensation Incentive Pay Administration Policy

V1.0 Effective 11/01/04 – HP Restricted

13

## Incentive Pay Mechanics

PRORATION	
Scenario	Effect on Incentive Compensation
<b>Military LOA</b>  Leave of absence for enlistment or call to the U.S. military services (including annual training).	<ul style="list-style-type: none"> <li>▪ While on military leave of absence, HP provides the difference between pay received from the U.S. government and the employee's full target pay for the period of leave, up to a lifetime cumulative total of five (5) years of active duty leave.</li> <li>▪ For military leaves longer than 30 days, employee will be removed from assigned sales plan and will be paid 100% TIA for the duration of the leave, up to the lifetime cumulative total of five (5) years of active duty leave.</li> <li>▪ While on military duty for annual training (14 days or less per calendar year), employee will remain on assigned sales plan and will receive all corresponding incentives.</li> <li>▪ Refer to Personnel Policy and Guidelines <a href="http://persweb.corp.hp.com/ppg/">http://persweb.corp.hp.com/ppg/</a> for additional details. If you have questions, consult with your immediate manager and/or HR Representative.</li> <li>▪ Employees paid on an incentive plan with a volume component returning from a leave within the same fiscal year to an incentive assignment will have incentives recalculated for the period prior to the LOA.</li> <li>▪ If the employee is placed on 100% TIA upon return within the same fiscal year, a recalculation of prior period performance will occur.</li> <li>▪ Upon return from leave, no proration of previously paid FSOs will occur.</li> <li>▪ If an employee returns from leave mid-month and resumes selling role in a quota-carrying sales specialty, the employee is paid base salary plus 100% TIA, prorated for days worked in month of return. If employee was removed from his/her sales plan for the period of LOA, reassignment of the employee to an incentive plan will be reviewed based on the duration of leave.</li> </ul>
<b>Personal LOA</b>  Leave of absence up to one year to accommodate circumstances not covered by other time off options.	<ul style="list-style-type: none"> <li>▪ If the employee elects to take a Personal LOA, the performance period will end and incentives will not be prorated.</li> <li>▪ Shipments for the month Personal LOA begins may continue to post and any incentives due for the period prior to the leave period will be paid on the regular pay cycle until the close of the performance period in the OMEGA pay system.</li> <li>▪ Should the incentive plan be in a draw payment cycle prior to Personal LOA, prorated draws may be paid. After the Personal LOA begins, no draw is paid.</li> </ul>

FY05 U.S. Sales Compensation Incentive Pay Administration Policy

V1.0 Effective 11/01/04 – HP Restricted

14

## Incentive Pay Mechanics

PRORATION	
Scenario	Effect on Incentive Compensation
	<ul style="list-style-type: none"> <li>Sales Management may elect to reassign quota/credit if business is critical.</li> <li>Vacation time taken immediately following a Personal LOA does not count as active selling time.</li> <li>Employees paid on an incentive plan with a volume component returning from a leave longer than 90 days to an incentive assignment will have incentives recalculated for the period prior to the LOA.</li> <li>Upon return from leave, no proration of previously paid FSOs will occur.</li> <li>If the employee is placed on 100% TIA upon return, a recalculation of prior period performance will occur.</li> <li>If an employee returns from leave mid-month, the employee is paid base salary plus 100% TIA, prorated for days worked in month of return. Reassignment of the employee to an incentive plan occurs at the start of the first full month upon return.</li> </ul>
<b>Terminations</b>  Leave the company voluntarily or involuntarily  (NOTE: Refer to following section for Workforce Restructuring)	<ul style="list-style-type: none"> <li>Volume incentives are not prorated. Full plan period rates and full plan period goals are used for incentive calculation per goal sheet. Terminated employees will receive credits through month of termination for full months active in the plan.</li> <li>Payments for FSO incentives are prorated through month of termination. For un-submitted and/or un-acknowledged FSOs, 100% of the FSO TIA will be paid.</li> <li>Should the incentive plan be in a draw payment cycle when termination occurs, draw payments will not apply.</li> <li>Shipments/orders that occur within the month of termination may continue to post and any incentives due generally will be paid on the regular pay cycle until the close of the performance period in the OMEGA pay system.</li> <li>Individuals terminating prior to the assignment or acknowledgement of a goal sheet will be paid at 100% of the target incentive for the volume component (pro-rated for the period of active status).</li> <li>Incentive payment will be reduced by any outstanding liabilities as permitted by law.</li> <li>Vacation taken after term notice does not count as active selling period.</li> </ul>

FY05 U.S. Sales Compensation Incentive Pay Administration Policy

V1.0 Effective 11/01/04 – HP Restricted

15

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## Incentive Pay Mechanics

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PRORATION	
Scenario	Effect on Incentive Compensation
	<ul style="list-style-type: none"> <li>It is the manager's responsibility to notify Americas SCO immediately upon a sales employee's termination so that any outstanding liability can be addressed.</li> </ul>

## Incentive Pay Mechanics

PRORATION	
Scenario	Effect on Incentive Compensation
Workforce Restructuring (WFR)	<ul style="list-style-type: none"> <li>▪ Employees placed on WFR will be paid at 100% TIA during the 9-week Salary Continuation period.</li> <li>▪ The 9-week Salary Continuation period begins on the first business day following employee's release date.</li> <li>▪ If earned incentives for release month overlap with the 9 week period, employee will be paid 100% TIA, or actual incentives, whichever is greater.</li> </ul> <p><b>Example:</b> If release date is August 15, credits are applied and incentives are calculated through August 31. These 16 days count toward the 9-week Salary Continuation Period. If employee has earned more than 100% TIA for the month of August, actual incentives earned are paid. If employee earns less than 100% TIA for August, 100% TIA is paid.</p> <ul style="list-style-type: none"> <li>▪ Volume incentives are not prorated. Full plan period rates and full plan period goals apply per goal sheet. Credits are applied in full month increments, through month of release.*</li> <li>▪ Payments for FSO incentives are prorated through month of release.* For un-submitted and/or un-acknowledged FSOs, 100% of the FSO TIA will be paid.</li> <li>▪ Should the incentive plan be in a draw payment cycle when release occurs, draw payments will not apply.</li> <li>▪ Shipments/orders that occur within the month of release* may continue to post and any incentives due generally will be paid on the regular pay cycle until the close of the performance period in the OMEGA pay system.</li> <li>▪ Individuals notified prior to the assignment or acknowledgement of a goal sheet will be paid at 100% of TIA (pro-rated for the period of active status).</li> <li>▪ Incentive payments (including 100% TIA payments during 9 week period) will be reduced by any outstanding liabilities.</li> <li>▪ It is the manager's responsibility to notify Americas SCO immediately upon a sales employee's termination so that any outstanding liability can be addressed.</li> </ul> <p>* If release date falls on the first business day of a month, employee is entitled only to corresponding incentives earned through the last day of month of WFR notification.</p> <p><b>Example:</b> If release date is August 1, employee will be moved to "left" sales specialty effective August 1 and paid incentives earned through July 31.</p>
FY05 U.S. Sales Compensation Incentive Pay Administration Policy	
V1.0 Effective 11/01/04 – HP Restricted 17	

## Incentive Pay Mechanics

PRORATION	
Scenario	Effect on Incentive Compensation
<b>Transfers to Non-Sales Positions</b>	<ul style="list-style-type: none"> <li>▪ Requires job code change and base salary adjustment.</li> <li>▪ Incentives (TIA, goals and pay) are not prorated.</li> <li>▪ Employee receives credit through the month sales assignment ends.</li> <li>▪ Employee receives earned FSO attainment based on active sales period.</li> <li>▪ For involuntary transfers to non-sales positions, proration will be reviewed on a case-by-case basis.</li> <li>▪ It is the manager's responsibility to notify Americas SCO immediately upon a sales employee's transfer so that any outstanding liability can be addressed.</li> </ul>
<b>Adjustments to Sales Assignments – Coverage for Inactive Incentive Employees</b>  If it is determined that additional compensation is appropriate for an incentive employee covering an assignment for an inactive employee, the following will apply:	<ul style="list-style-type: none"> <li>▪ Each situation requires review by Sales Management and the aligned SCO Segment Account Manager and may involve discussions with Human Resources.</li> <li>▪ When an incentive employee becomes inactive for a period of time or terminates from the company, sales assignments of other incentive employees may be temporarily or permanently adjusted to accommodate coverage of territory or account.</li> <li>▪ Goals of incentive employees who cover the assignment of the inactive employee may be modified to accommodate the change in assignment.</li> <li>▪ No mid-month adjustment will be made. All adjustments will be effective on the first of a month.</li> </ul>
<b>Part-Time Employees</b>	<ul style="list-style-type: none"> <li>▪ Any incentive employee who works 20-39 hours per week on a regular basis is considered part-time and compensation (base salary and incentive pay) is prorated accordingly.</li> <li>▪ Any change to Standard Hours worked during a performance period will require a plan re-start. Volume incentives will be prorated for each period. Previously paid FSOs will not be recalculated.</li> </ul>

### RETROACTIVE PLAN ASSIGNMENTS

Retroactive incentive plan assignments are not performed. It is a manager's responsibility to ensure that his/her incentive employees are assigned to the appropriate incentive plan, prior to the appropriate effective date.

FY05 U.S. Sales Compensation Incentive Pay Administration Policy

V1.0 Effective 11/01/04 – HP Restricted

18

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## **Incentive Pay Mechanics**

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### **NEW PLANS OR PLAN MODIFICATIONS (MID-PERFORMANCE PERIOD)**

After a performance period has been initiated, there may be a business need to change the characteristics of an incentive plan or create a new plan for the remainder of the performance period. Examples include, but are not limited to: changes to product lines defined in the incentive plan; changes to incentive mix; and changes to the weight of volume vs. FSO. Executive Sales Managers should involve their Americas Segment Sales Incentive Design Lead to carefully evaluate the impact of making such changes. Approval from Sales Vice President and Americas Sales Compensation E2E Core Team is required for such changes. Changes to incentive plans are not implemented retroactively.

### **ADJUSTMENTS TO SALES ASSIGNMENTS (MID-PERFORMANCE PERIOD)**

Adjustments to sales assignments in the middle of a performance period require review by Sales Management and the aligned SCO Segment Account Manager. Performance for the new assignment is calculated based upon the effective date of adjustment and is added to existing assignment. No mid-month adjustment will be made. All adjustments will be effective on the first of a month.



## Draw

### DEFINITION OF DRAW

Draw is a cash advance paid to incentive employees in anticipation of incentives to be earned. It is a liability and is fully recoverable from all earned incentives, including residual incentives, bonuses and spiffs. Draws are paid on the standard incentive pay schedule. There is a one-month lag in paying draw for a given business month. For example, November's draw will be paid in December. Draws are taxed the same as incentives and are benefit-eligible.

### ELIGIBILITY FOR DRAW

HP may use the "draw" methodology to temporarily issue incentive pay under the following conditions:

- Business conditions warrant supplementing incentive pay until normal conditions return.
- System issues prevent normal incentives from being calculated.

Sales Management and the Americas Sales Compensation Organization, in a joint decision, approve draws. When business conditions warrant, HP may opt to issue draws at the beginning of a performance period. The draw is aligned with an incentive plan; therefore, all employees on that plan would receive the draw.

### DRAW PAYMENTS

Draw payments are made using one of the following methods. Refer to the Americas SCO website (<http://americas-sales-comp.corp.hp.com/>) for the payment schedule for your sales incentive plan.

Payment Method	How Incentives Are Paid												
Draw Only	<p>Example: Annual Plan with TIA of \$21,600 and 75% draw</p> <p>Monthly TIA = \$1,800 (\$21,600/12)</p> <p>Monthly Draw = \$1,350 (\$1,800*75%)</p>												
Draw/Incentive	<p>A combination of incentives earned and supplemental draw is paid.</p> <p>Supplemental draw is paid if incentives earned are less than monthly draw amount. All incentives earned are paid. (Refer to TIA and Draw information above.)</p> <table><tr><td></td><td><u>Example 1</u></td><td><u>Example 2</u></td></tr><tr><td>Incentives Earned</td><td>\$1,000</td><td>\$2000</td></tr><tr><td>Supplemental Draw</td><td>\$ 350</td><td>\$ 0</td></tr><tr><td>Total Payment</td><td>\$1,350</td><td>\$2000</td></tr></table>		<u>Example 1</u>	<u>Example 2</u>	Incentives Earned	\$1,000	\$2000	Supplemental Draw	\$ 350	\$ 0	Total Payment	\$1,350	\$2000
	<u>Example 1</u>	<u>Example 2</u>											
Incentives Earned	\$1,000	\$2000											
Supplemental Draw	\$ 350	\$ 0											
Total Payment	\$1,350	\$2000											
Incentive Only	The draw period has expired. Full incentives earned less any outstanding liabilities are paid.												

FY05 U.S. Sales Compensation Incentive Pay Administration Policy

V1.0 Effective 11/01/04 – HP Restricted

20

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Draw

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**DRAW CALCULATION**

Draws are always paid in one-month increments using a percent of target incentive amount (TIA) deemed appropriate by the business.

**Draw Calculation – New Year Start-Up**

During a Draw Only calculation period at new year start-up, monthly TIA is multiplied by the approved draw percentage to determine payment.

**DRAW RECOVERY**

Draws that begin in one month and are set to pay out for a given period can be recovered prior to the end of that period, if enough incentives are earned to both satisfy the draw balance and still keep the monthly incentive earnings above the draw setting.

At the end of the defined period that a draw is paid, any draw balances are recovered in full from future incentives earned, including bonus and SPIF payments. Incentive payments will not be issued until draw balance is fully repaid. Amounts owed from a draw that cannot be collected during one performance period will be carried over into the next performance period, until recovered. This includes crossing into the next fiscal year, if necessary.

Draws are not deducted from base pay, unless there are no incentives due for an extended period of time, and the employee consents to having base pay reduced.

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## Liability

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Liability (draw or overpayment) is incurred when incentives are paid but not earned. Incentive employees are responsible for all liability to HP. Some conditions that cause liability are:

- Draw paid exceeds incentives earned to date.
- Reversal of a previously applied sales/shipment credit due to cancellation or administrative error.
- Negative carry-over from a prior performance period or fiscal year.

It is the responsibility of every incentive employee to review sales/shipment crediting on a monthly basis and report errors to the SCO Sales Support Center and sales manager. Regular and timely review of sales/shipment crediting can help avoid unnecessary overpayment conditions.

### NEGATIVE INCENTIVES

All negative transactions, (including but not limited to cancellations, returned products, and corrections to quota) will reduce the period-to-date quota performance in the current performance period and will be included in the volume incentive pay calculation. All negative transactions from the prior performance period will also be treated as negative performance in the month in which the negative transaction occurs and be included in the volume incentive pay calculation.

When an order that ships late in the performance period is subsequently canceled in the next performance period, negative incentives will be calculated using the current incentive plan. This means formulas used for the negative transaction may be different from those used for the original incentive payment.

Incentive liabilities will be carried over into the next performance period if not satisfied by the end of the prior period. This includes crossing into the next fiscal year, if necessary. However, if the liability is greater than 25% of the current annual TIA, the employee will be required to promptly repay the after tax (net) amount of the overpayment in a lump sum. If a liability is carried from one calendar year to the next, repayment is based on the before-tax (gross) amount. Once the performance period has closed, employees who have left an assignment (transfer or termination) will be required to repay the negative amount in full to the extent permitted by law. It is the manager's responsibility to notify Americas Sales Compensation Operations immediately upon a sales employee's transfer or termination so that any outstanding liability can be addressed.

### REPAYMENT

Typically, liability is repaid from future incentives earned, including bonus and SPIF payments. However, prompt repayment will be required when any of the the following conditions exist:

- A significant drop in performance (25% or more)
- Transfer or Termination from incentive position
- HP gives incentive employee notice to leave the plan
- Outstanding liability balance greater than 25% of the current annual TIA

When an incentive employee leaves the plan, Americas Sales Compensation Operations will address outstanding liability balances. Contact the SCO Sales Support Center for your current Incentive Statement (includes current liability) and any liability not yet recorded.

FY05 U.S. Sales Compensation Incentive Pay Administration Policy

V1.0 Effective 11/01/04 – HP Restricted

22

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## Incentive Performance Review

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Incentive performance is subject to periodic review for performance significantly above or below target. Performance significantly below target is monitored by Sales Management and Sales Management may request additional research from the Americas Sales Compensation Operations (SCO) Organization as required to evaluate such below target performance. For attainment levels of less than 50%, the employee's direct Sales Management should raise any concerns to the Sales Vice President.

HP has implemented a Performance Review Process to evaluate performance significantly above target. This process complies with HP's Pay for Performance philosophy and is considered fair and equitable for both employees and the company. The respective Sales Vice President Segment Finance Manager and a Human Resources representative are responsible for participating in and approving the review once an employee's attainment reaches the pre-established threshold. Each sales organization has the option to establish reviews at lower levels of attainment or increase the frequency of the review. Human Resources may be involved to review/approve requests for a payment cap or payment hold, if warranted, to prevent a liability later.

More details regarding the Performance Review Process, including performance levels at which reviews occur, are contained in the "Performance Review Process" document housed on the Americas SCO website under the "Policies" menu: <http://americas-sales-comp.corp.hp.com>

As always, in this rapidly changing environment, Hewlett-Packard reserves the right to amend any aspect of an incentive employee's sales compensation, including (but not limited to): mix of base and incentive pay; assignment, addition or deletion of designated accounts; and/or increase or decrease of corresponding quota and sales objectives.

## Appendix A: Incentive Pay Definitions

For the purpose of this policy as well as related documents, the following definitions apply:

Accelerator	The rate(s) (percent of Target Incentive Amount) paid for every 1% of quota achieved above 100% quota performance.
Accelerator – Premium	For metrics with embedded sub-quotas, standard or premium rates may apply. When performance exceeds 100% attainment of all embedded sub-quotas, premium rates apply to the blended total quota performance measure.
Accelerator – Standard	For metrics with embedded sub-quotas, standard or premium rates may apply. When performance is less than 100% attainment of all embedded sub-quota measures, standard rates apply.
Badge #, Employee ID	Unique identification number assigned to each employee.
Base Pay (Base Salary)	Fixed salary, “guaranteed” portion of total target pay. Base salary is intended to compensate for overall job responsibilities.
Benefit-Eligible	Incentive compensation that applies toward corporate benefits.
Bonus	A payment, on-top of On Target Earnings, awarded for accomplishing pre-determined objectives.
Cap	The maximum total incentive compensation a sales employee can earn in a given period. A cap may apply to specific incentive components or to overall incentive compensation.
Cumulative Period to Date Performance Period	Cumulative period to date sales are compared to cumulative period to date quota.
Draw	Recoverable payment of incentive compensation paid in anticipation of future performance.
Draw/Incentive	A combination of incentives earned and supplemental draw. Supplemental draw is paid if incentives earned are less than monthly draw amount. All incentives earned are paid.
Focused Sales Objective (FSO)	Strategic performance measure used to address a complex selling environment that requires a balanced effort against multiple and varied objectives. FSOs provide incentive opportunities for performance against a set of specific, individualized objectives. Measures typically involve product mix, customer mix, number of new accounts, or other measurable goals.
Gate – Embedded Sub-quota Measures	A gate is a performance threshold that must be met before an identified level of accelerator will be paid. A gate with an embedded sub-quota measure can be utilized within a single quota-based component. Upon greater than 100% attainment of all embedded sub-quotas within the blended total quota performance measure, the identified Premium Rate applies to the blended total quota performance measure. Each performance measure of a plan may offer standard and premium rate levels, based on meeting performance gates relative to embedded sub-quotas.
Gate – Standard	A gate is a performance threshold that must be met before an accelerator will be paid. A standard gate can be utilized on plans with multiple quota-based performance measures. Each performance measure may have a different threshold. Accelerators for each performance measure are typically deferred until the gate for each measure is met.
Goal	A sales objective used to measure performance for calculation of incentive pay. A goal may be expressed as quota or FSO.

## Appendix A: Incentive Pay Definitions

Incentive Component	A defined element of an incentive plan, such as Quota-based Volume, FSOs, and On-Top Bonus.
Incentive Pay	Variable pay dependent on performance vs. goal. Incentive pay provides an opportunity to earn above base salary and includes one or more incentive components.
Incentive Weighting	The incentive weighting defines how much of the total incentive pay is assigned to a particular incentive component. For example, in a plan with a TIA of \$30,000, 75% or \$24,000 may be weighted as a volume measurement and 25% or \$6,000 weighted as FSO. The volume portion may also be weighted by business focus.
Job Code	6-digit code that is plan-specific and controls the mix of base pay and Target Incentive Amount (TIA) in human resource and compensation systems.
Leverage (Mix)	Ratio of base salary and target incentive to On Target Earnings.
Liability	Amount to be recovered from incentives for overpayments or draw.
Multiplier	The rate(s) (percent of Target Incentive Amount) paid for every 1% of quota achieved. Multipliers apply to under 100% performance (slope) as well as over 100% performance (accelerator).
OMEGA Sales Specialty Code	A unique designator identifying a specific incentive plan used to invoke specific compensation formulas and crediting rules.
OMEGA	HP's authorized sales measurement and compensation system. Each Sales employee has access to his/her personal assignments, credits, and pay through OMEGA Online.
On Target Earnings (OTE)	Total annual pay for incentive employee at 100% goal attainment. Sum of base pay and 100% target incentive equals OTE.
Performance Measure	The specific criteria (e.g. product groups), identified on Sales Plan document, used to measure a volume or FSO incentive component.
Performance Period	The time span over which performance is measured for incentive purposes.
Period to Date (PTD) Performance Period	Cumulative period to date sales are compared to the total period quota to pay incentives. For example, in month four of the performance period the first four months' order/shipment performance is measured against the full six months' quota.
Quota	A pre-determined sales goal assigned to an individual or team.
Ramp	The point at which the acceleration changes from one percent to another.
Roll-off Point	The point at which the acceleration rate levels off to pay 1:1.
Sales Organization	A group of Sales Representatives and Sales Management whose common goal is to maximize HP's sales in a defined market segment.
Sales Performance	The amount of sales achieved in a defined performance period. Sales performance is expressed as a percent of performance period quota.
Slope	The rate(s) (percent of TIA) paid for every 1% of quota achieved below 100% quota performance.
Special Incentive for Focus (SPIF)	A contest or other competitive scenario, with a defined beginning and end date, offered to the sales force to meet a unique, short-term (quarterly) need in plan emphasis or sales focus.
Target Incentive Amount (TIA)	Amount of incentive opportunity paid at 100% goal attainment. Actual incentives earned may be more or less than TIA.
Target Incentive Pay	Incentive pay at 100% goal attainment.
Threshold	Minimum level of performance that must be achieved before an incentive will be paid.
Total Compensation	Sum of base pay and actual incentive pay earned.

FY05 U.S. Sales Compensation Incentive Pay Administration Policy

V1.0 Effective 11/01/04 – HP Restricted

25

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**Appendix A: Incentive Pay Definitions**

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Upside	Incentive pay opportunity that is in excess of On Target Earnings (OTE).
Variable Compensation	Includes any compensation component linked to target incentive, overachievement, bonuses, and other sales recognition
Volume Component	Incentive compensation component that includes a quota measure.



## Appendix B: Documents Associated With Incentive Compensation

In addition to this Compensation Policy, there are a variety of documents which govern incentive pay and assist incentive employees in understanding their pay; all of which can be found on the Incentive Compensation website.

Bonus and SPIF Program Documentation	All approved bonus and SPIF programs are documented under the Sales Force Toolkit on the Americas SCO website: <a href="http://americas-sales-comp.corp.hp.com/">http://americas-sales-comp.corp.hp.com/</a>
Americas Sales Compensation (SCO) Website	Please refer to the Americas SCO website: <a href="http://americas-sales-comp.corp.hp.com/">http://americas-sales-comp.corp.hp.com/</a> for additional materials that pertain to incentive pay.
FSO Application	This web tool is used to describe an incentive employee's strategic objectives (for employees with a FSO component). For set up, approval and acknowledgement of goals and attainments, the tool is accessible from the Sales Force Toolkit on the Americas SCO website: <a href="http://americas-sales-comp.corp.hp.com/">http://americas-sales-comp.corp.hp.com/</a>
Goal Sheet	This document describes an incentive employee's performance goals based on sales specialty for a defined performance period. Incentive employee must acknowledge (review and approve) their goal sheet prior to incentive payments occurring.
U.S. Sales Incentive Credit and Compensation Plan (also referred to as "Sales Plan")	This document describes incentive components for specified sales specialties. The Sales Plan includes performance period, performance measures, incentive weight of each component, source feeds, bonus opportunities, acceleration rates and calculations.
U.S. Sales Compensation Incentive Credit Administration Policy	This document describes the policies relating to how orders are credited to incentive employees.
U.S. Sales Compensation Incentive Credit Reference	This document provides additional details on information included in the U.S. Sales Incentive Credit and Compensation Plan document.

FY05 U.S. Sales Compensation Incentive Pay Administration Policy

V1.0 Effective 11/01/04 – HP Restricted

27



## **EXHIBIT 19**

The overall process listed below will guide you step-by-step in submitting a manual claim for missing credit in FY07.

**NOTE: Territory Sales may only submit claims for International, TRSP or NSP Joint Go To Market Program (formerly SPP) Transactions. Please direct your questions to the Sales Compensation Support Center 1-800-244-1407.**

*There may be instances whereby Area-to-Area credit movement is deemed necessary. These Area-to-Area transfers will be managed by Sales Compensation Operations, working in conjunction with the support center and segment account consultant and will require Regional VP approvals before transfer can occur.*

#### **Checklist: Before filing a formal Manual Claim on the web**

*Please use this checklist to determine the necessity of a claim PRIOR to completing a claim form.*

1. **Does the amount of your manual claim meet established dollar thresholds?** [Claims Matrix \(thresholds\)](#)
  - NO: Filing a manual claim is not applicable. No need to proceed.
  - YES: proceed to step 2
2. **Review your credits in Omega:**
  - If credit is in OMEGA, there is no need to proceed with claim process.
  - If credit is missing in OMEGA, please go to step 3
3. **Is the credit Direct or Indirect?**
  - DIRECT: Sales crediting is automated for "direct" purchases from HP, no claim necessary
  - HP DIRECT ("Compaq Direct"): orders take 30-45 days to show up in Omega from a compensation perspective. Go to step 4
  - INDIRECT: Go to step 4
    - *Note:* Sales crediting is automated for all transactions where salesout is available from Channels and Resellers
4. **For missing Indirect / HP Direct (Compaq Direct) credits**  
*Determine the criteria / timeline below that matches your inquiry and move forward as described*
  - **Less than 30 days ago:**
    - ✓ Take no action.
    - ✓ Watch for the transaction to show up in OMEGA crediting reports.
  - **More than 30 days ago and processed through a reporting reseller:**
    - ✓ Submit a Manual Claim (see step 5)
  - **For known non-reporting Resellers,**
    - ✓ You do not need to wait to submit a manual claim. (see step 5)
      - To see a list of targeted reporting Resellers, click here:  
[http://pin.boi.hp.com/reports/k/Channel\\_Partner\\_Reporting\\_Resellers.xls](http://pin.boi.hp.com/reports/k/Channel_Partner_Reporting_Resellers.xls)
5. **Obtain approval from your manager *if* your program requires approval (see step 6)**
6. **Fill out the FY07 Manual Claim Form at: [Manual Claims webpage](#)**  
*(Please reference "Completing a Manual Claim" link when filling out the claim form)*

Last updated 04/21/06

## **EXHIBIT 20**

## FY08 Manual Claim Matrix

Name/ Type of program	Guidelines (Based on invoice size and/or per account)	Dollar Validation	Submittal Process & Approval Required
<p><b>General Claims</b></p> <p><b>Non-reporting Partners:</b> On indirect business, transactions are captured via (and credit is dependent upon) Partner Sales Out reporting to HP. If partner does not report, manual claims may be required for sales to partners and/or end-users.</p> <p><b>Remarketed Equipment:</b> Sales employees are eligible for sales credit on used/remarketed equipment according to the crediting rules for their sales plan, at the time of shipment. Credit is applied at 100% of the Net Deal Price for HPFS Remarketed Product Sales. When the transactions are not reported or the end-user data is not available, claims will be considered.</p> <p><b>Demo Sales:</b> Upon the purchase and invoicing of consignment business, sales employees are eligible for credit according to the crediting rules for their sales plan. When the transactions are not reported or the end-user data is not available, claims will be considered.</p> <p><b>Exceptions:</b> Requests outside of defined policy and standard claims. The guidelines are dependant on the exception. Refer to the DOA policy. <a href="http://www.salescomp.corp.hp.com/docs/governance/FY08/FY08AMS_SC_DOA_Policy.pdf">http://www.salescomp.corp.hp.com/docs/governance/FY08/FY08AMS_SC_DOA_Policy.pdf</a></p>	<p><b>Named</b></p> <ul style="list-style-type: none"> <li>• 50K TSG</li> <li>• 25K IPG</li> <li>• 25K PSG Volume</li> <li>• 25K SLED Value</li> <li>• 25K Fed Value</li> <li>• 25K Services</li> </ul>	<ul style="list-style-type: none"> <li>• Non-reporting reseller. List price from HP pricing tool.</li> <li>• All other use Sigma, net price.</li> </ul> <p>Note: See valuation chart for further details on pricing. <a href="http://americas-sales-comp.corp.hp.com/FY08%20Valuation%20Plan%20Final%20v5.pdf">http://americas-sales-comp.corp.hp.com/FY08%20Valuation%20Plan%20Final%20v5.pdf</a></p>	<ul style="list-style-type: none"> <li>• Submitted via website: <a href="http://americas-sales-comp.corp.hp.com/manual%20claims.asp">http://americas-sales-comp.corp.hp.com/manual%20claims.asp</a></li> </ul> <p>Required Approvals: • Level 1 Sales Manager</p>
<p><b>TMS Custom Agreements</b></p> <p>Utilize the generic claim form</p> <p>A Technology Management Solution (TMS) custom agreement is one in which HP agrees to support a customer's environment that could include both HP and multi-vendor hardware/software.</p> <p><b>Requirement:</b> Minimum 3-year agreement (multi-year). Sales credit is granted for an additional 25%</p>	<ul style="list-style-type: none"> <li>• 500K BCS</li> <li>• 2.5M non BCS*</li> </ul> <p>*2.5M USD TCV in large countries *1.5M USD TCV in small countries</p>	<ul style="list-style-type: none"> <li>• Sigma, net price</li> </ul>	<ul style="list-style-type: none"> <li>• Submitted via website: <a href="http://americas-sales-comp.corp.hp.com/manual%20claims.asp">http://americas-sales-comp.corp.hp.com/manual%20claims.asp</a></li> </ul> <p>Required Approvals: • Level 1 Sales Manager</p> <p>Apply to the assignment level</p>

DATE

Created by: Shelley Burk

Page 1 of 5

## FY08 Manual Claim Matrix

Name/ Type of program		Guidelines (Based on invoice size and/or per account)	Dollar Validation	Submittal Process & Approval Required
of the first twelve month value (not total contract value) of the HP annuity services.				
<b>Multinational Claims</b> When Transactions are not recognized systematically as multinational, a manual claims process is required when the following criteria are met. The split is 50% to the sold-to country (or country of specmanship for software-only deals) and 50% to ship-to (or country of software usage for software-only deals) country.	<u>Named/Area:</u> <ul style="list-style-type: none"><li>• 250K Product</li><li>• 30K SW only deals</li><li>• 100K IPG standalone</li><li>• 100K Services per deal (10K per country)</li></ul>	<ul style="list-style-type: none"><li>• BO L4; net price</li></ul>	<ul style="list-style-type: none"><li>• Submitted via website: <a href="http://americas-sales-comp.corp.hp.com/manual%20claims.asp">http://americas-sales-comp.corp.hp.com/manual%20claims.asp</a></li></ul> <p><u>Required Approvals:</u></p> <ul style="list-style-type: none"><li>• Level 1 Sales Manager</li><li>• For negotiated splits greater than \$1M refer to the Global DOA Policy</li><li>• Claim to be submitted by named account sales rep.</li></ul>	
<b>General Motors US 75%/Canada 25% Claim</b> A Cross Border agreement has been established for the General Motors Sales Team. The agreement calls for a 25% / 75% Management Reporting split for Canada and the United States respectively. This crediting is specific only to orders with a ship to address of a GM Data Center in Toronto Canada.	<u>Named:</u> <ul style="list-style-type: none"><li>• 25K</li></ul>	<ul style="list-style-type: none"><li>• BO L4; net price</li></ul>	<ul style="list-style-type: none"><li>• Utilize international claim form when submitting claim. <a href="http://americas-sales-comp.corp.hp.com/manual%20claims.asp">http://americas-sales-comp.corp.hp.com/manual%20claims.asp</a></li><li>• Approved agreement on file</li><li>• Claim to be submitted by Enterprise Account Manager (EAM).</li><li>• New business only</li></ul>	
<b>CME JGTM</b> <b>Communications, Media &amp; Entertainment Joint-Go-To-Market</b> Refer to the HP Global Sales Compensation Policy	<u>Named/Specialty/Area:</u> <ul style="list-style-type: none"><li>• 25K</li></ul>	<ul style="list-style-type: none"><li>• Sigma; net price</li></ul>	<ul style="list-style-type: none"><li>• Submitted via website: <a href="http://nsponline.hp.com/jgtm/default.asp">http://nsponline.hp.com/jgtm/default.asp</a></li></ul> <p><u>Required Approvals:</u></p> <ul style="list-style-type: none"><li>• Claims greater than \$100K, either the CBM of the CME Provider or the Global Inbound Corp Acct Mgr.</li><li>• Claim to be submitted by the named account sales rep.</li></ul>	

Page 2 of 5

DATE

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Confidential Subject to Protective Order

HP00000874

**FY08 Manual Claim Matrix**

Name/ Type of program	Guidelines (Based on invoice size and/or per account)	Dollar Validation	Submittal Process & Approval Required
<b><u>HPS Installed Base Transitional Claims</u></b>  Utilize the generic claim form  When installed base contracts (option/CarePack conversions and ongoing renewals) transition between customer segments (i.e. direct and indirect or System Integrator to direct), sales credit may be applied as both direct/end-user and channel business.  A manual claim will be required by the "transitioned from" sales team. When the claim is executed, the "transitioned to" sales team (account and/or individual) will receive a quota increase equal to the value of sales credit applied.  Only orders coded as renewal/ongoing are eligible.	<ul style="list-style-type: none"> <li>• 25K</li> </ul>	<ul style="list-style-type: none"> <li>• Sigma, net price</li> </ul>	<ul style="list-style-type: none"> <li>• Submitted via website:   <a href="http://americas-sales-comp.corp.hp.com/manual%20claims.asp">http://americas-sales-comp.corp.hp.com/manual%20claims.asp</a>   <u>Required Approvals:</u> <ul style="list-style-type: none"> <li>• Level 1 Sales Manager</li> <li>• Region Business Group Finance Manager</li> </ul> </li> </ul>
<b><u>HPS Federal IB Overlay</u></b>  Utilize general claim form until notified	<ul style="list-style-type: none"> <li>• 25K</li> </ul>	<ul style="list-style-type: none"> <li>• Sigma, net price</li> </ul>	<ul style="list-style-type: none"> <li>• Submitted via website:   <a href="http://americas-sales-comp.corp.hp.com/manual%20claims.asp">http://americas-sales-comp.corp.hp.com/manual%20claims.asp</a>   <u>Required Approvals:</u> <ul style="list-style-type: none"> <li>• Level 1 Sales Manager</li> </ul> </li> </ul>

Sales credit eligibility for indirect renewal business administered by the Federal installed base rep on defined channel accounts with a Federal Named (i.e., US Army) account as the end-user. Manual claim required. See the Manual Claims section of this document for more details and use the indirect sales claim type to submit these claims.

DATE

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Page 3 of 5

## FY08 Manual Claim Matrix

Name/ Type of program		Guidelines (Based on invoice size and/or per account)	Dollar Validation	Submittal Process & Approval Required
<b>Area to Area Transfers</b>				
Utilize the generic claim form			• Sigma; net price	• Submitted via website: <a href="http://americas-sales-comp.corp.hp.com/manual%20claims.asp">http://americas-sales-comp.corp.hp.com/manual%20claims.asp</a>
Should be for exceptions only, should not be used solely based on where sales effort is; Area crediting is based on end user ship to logic.		<ul style="list-style-type: none"> <li>• 2M Generalist</li> <li>• 500K Specialist</li> <li>• 250K Software/ProCurve</li> <li>• 100K Services</li> </ul>		<u>Required Approvals:</u> <ul style="list-style-type: none"> <li>• VP approval from both regions affected</li> <li>• Region Business Group Finance Manager</li> </ul>
For transactions that are included in quota for Area requesting credit but due to change in buying behavior of customer, shipments are occurring in different Area than historically for the customer.				<i>Note: SCO Representative to drive process</i>
<b>HPS Custom Solutions</b>				
Utilize the generic claim form		• 25K	• Sigma; net price	<ul style="list-style-type: none"> <li>• Submitted via website: <a href="http://americas-sales-comp.corp.hp.com/manual%20claims.asp">http://americas-sales-comp.corp.hp.com/manual%20claims.asp</a></li> </ul>
Eligibility for HPS sales credit is limited to orders booked and recognized as HPS product lines. The only exception is for custom solutions where services are bundled at customer request.				<u>Required Approvals:</u> <ul style="list-style-type: none"> <li>• Finance verification of revenue transfer</li> <li>• Product sales approval for restatement.</li> </ul>
<b>Non-Stop Enterprise Division (NED)</b>				
Utilize the generic claim form		• 25K	• Sigma; net price	<ul style="list-style-type: none"> <li>• Submitted via website: <a href="http://americas-sales-comp.corp.hp.com/manual%20claims.asp">http://americas-sales-comp.corp.hp.com/manual%20claims.asp</a></li> </ul>
<b>T-Rent</b>				<u>Required Approvals:</u> <ul style="list-style-type: none"> <li>• Level 1 Sales Manager</li> </ul>
<b>T-Move</b>				
<b>T-Swap</b>				

DATE

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Page 4 of 5

**FY08 Manual Claim Matrix**

Name/ Type of program	Guidelines (Based on invoice size and/or per account)	Dollar Validation	Submittal Process & Approval Required
<b><u>OEM Assist Crediting</u></b> (Original Equipment Manufacturer)  Utilize the generic claim form  End-user sales reps who provide substantial support for an OEM sale by <b><u>GE Healthcare, Agfa or Philips Medical</u></b> can apply for manual credit to the HLS Sales VP (Chuck Kinzel). If the VP supports the claim, the end-user can receive credit manually for the sale, in addition to the OEM rep receiving it systemically. A limit of (2) additional end-user sales rep can be paid for this deal accommodating involvement by both the "generalist" and "specialist" reps.	<ul style="list-style-type: none"> <li>• 25K</li> </ul>	<ul style="list-style-type: none"> <li>• Sigma; net price</li> <li>• Apply sales credit at the individual sales rep baby chair level.</li> </ul>	<ul style="list-style-type: none"> <li>• Utilize Generic claim form when submitting claim.  <a href="http://americas-sales-comp.corp.hp.com/manual%20claims.asp">http://americas-sales-comp.corp.hp.com/manual%20claims.asp</a></li> <li>• <u>Required Approvals</u> <ul style="list-style-type: none"> <li>• Chuck Kinzel</li> <li>• Sales VP Approval</li> <li>• Level 1 Sales Manager</li> </ul> </li> <li>• <u>Eligible Accounts</u> <ul style="list-style-type: none"> <li>• GE Healthcare</li> <li>• Agfa</li> <li>• Philips Medical</li> </ul> </li> </ul>

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Page 5 of 5



# **EXHIBIT 21**

# Sales Manual Claim Website (SMCW)

February 7, 2008



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The information contained herein is subject to change without notice.



#### Agenda

- Why the transition and what is SMCW?
- What's New
- Sales Rep submittal process
- 1<sup>st</sup> Level Sales Management Responsibilities
- Claim form samples
- Claim Status Definitions
- Reporting/Status Updates
- URL Links

2 20/02/2010



**Why the transition?**

Due to the ongoing Data Center Consolidation (DCC) effort, changes to our existing US Sales Comp tools are taking place.

**What Is SMCW?**

**Sales Manual Claims Website** - a web based application for sales reps to submit manual claims directly to their SCO Representative.

- The application has tracking and reporting capabilities.
- Utilized by the following regions: Canada, LAC, U.S. and soon EMEA.
- SMCW has the same look and feel as the prior manual claim application.
- Log in is by NT access

1 05/2006



### What's New

- 1<sup>st</sup> level sales manager approval required for all claim submittals
  - Claims will not be released to SCO until they are approved by sales mgmt
- The option to by-pass 1<sup>st</sup> level mgr approval is available
  - Utilize for situations when manager is away traveling/vacation
  - Claims will be routed to SCO for review and processing
  - Notification will be sent to the sales managers
- Types of Claim Forms: Generic, International and NSP JGTM
- The ability to provide comments/updates for all users
- Comments/updates are saved and visible to all users
- The support center email node will no longer be utilized for claims
- All claims **must** be submitted via SMCW for tracking/auditing purposes

4 04/01/2010



#### Sales Rep Submittal Process

SR submits a claim via the SMCW website:

- select Region = US
- select claim form (Generic or NSP JGTM)
- select claim type from drop down menu
  - Generic claim
  - International
- Select Business Group (HPS, Corp, NED, etc)
- Completes form with required information indicated by the "\*\*".
- General Comments section – using the manual claim matrix identify the type of claim (i.e. Direct/Indirect, Non-reporting reseller, etc.)
- Sales is encouraged to provide evidence by way of including attachments (excel, word, print screens, etc).

An auto-reply message will be sent to the sales rep & cc: to SCO Representative

- Email subject line will read "**SUBMITTED**" along with the claim number

5 4/07/2010



#### **1<sup>st</sup> Level Sales Manager Responsibility**

- An email notification will be sent to the Sales Manager for review.
- A url link to the claim will be provided within the email notification
- Claim status will be "OPEN" - meaning awaiting 1<sup>st</sup> level mgmt approval.
- Sales Manager's – DO NOT REPLY to the email with your approval. The Approval/Deny process must be done via the website. This will cause claims to remain in OPEN status without notification to the SCO Representative.
- If the claim is denied
  - Sales Manager provides the reason in the comments section.
  - The claim process ends and is considered closed.

**Caution:** Be aware that you will not receive notifications in your inbox if a rule is set to file items with a *general email address* in the junk email folder. If this is the case, be sure to check for review/approval notifications.

02/2/2010




Manual Claims

[New Claim](#)
[Unsub. Claim](#)
[My CLAIM](#)
[Claim Status](#)
[Sign Out](#)

Welcome to the Manual Claim Web Site

Through this Web Site you can:

- Submit Claim to your Sales Comp Team
- Renew the Status of Submitted Claims
- Start by selecting your region below...




Please select the appropriate Claim you want to submit!  
If you have any kind of Questions, please refer to your Sales Comp Country Team

Your current REGION is: US

If the above is NOT your region, please select the correct region

US





Manual Claims

NEW CLAIM

CLAIMS

NEW CLAIM

CLAIMS

NEW CLAIM

Generic Claim Form - Sales Team Only (US)

PLEASE SELECT GENERIC CLAIM TYPE

INTERNAL CLAIMS

INTERNATIONAL CLAIMS

Done

Lock Screen

GENERIC CLAIM (US)

**General Info**

Device Name: [Text Field]  
 Device ID: [Text Field]  
 Device Type: [Text Field]  
 Device Model: [Text Field]  
 Device Version: [Text Field]  
 Device Manufacturer: [Text Field]  
 Device Serial Number: [Text Field]  
 Device Description: [Text Field]  
 Device Location: [Text Field]  
 Device Status: [Text Field]

**End User Details**

End User Name: [Text Field]  
 End User Email: [Text Field]  
 End User Phone: [Text Field]  
 End User Address: [Text Field]  
 End User City: [Text Field]  
 End User State: [Text Field]  
 End User Zip: [Text Field]

**Sold to Address Details**

Sold to Name: [Text Field]  
 Sold to Email: [Text Field]  
 Sold to Phone: [Text Field]  
 Sold to Address: [Text Field]  
 Sold to City: [Text Field]  
 Sold to State: [Text Field]  
 Sold to Zip: [Text Field]

**Reseller Details**

Reseller Name: [Text Field]  
 Reseller Email: [Text Field]  
 Reseller Phone: [Text Field]  
 Reseller Address: [Text Field]  
 Reseller City: [Text Field]  
 Reseller State: [Text Field]  
 Reseller Zip: [Text Field]

**Approval Details (Name to be restricted by Country Sales Agent Spec)**

Approval Status: [Text Field]  
 Approval Reason: [Text Field]  
 Approval Date: [Text Field]  
 Approval User: [Text Field]  
 Approval Comment: [Text Field]

**General Comments**

The General Comments box is used to describe the type of team used for all updates and communications.

9 00000000



#### Claim Status Definitions

- **Open:** 1<sup>st</sup> level sale management approval needed
- **DMGR Approved:** 1<sup>st</sup> mgr approval complete
- **Pending Claim Admin Action:** Claims to be worked
- **Approved:** claim processed. Also, means claim is closed.
- **Denied:** claim can be denied by either 1<sup>st</sup> level sales mgmt or SCO Representative.
- **Re-Opened:** claims previously approved or denied by SCO can be re-opened.

#### Claim Status Options not available for the U.S.

- Closed
- Closed w/out file upload

11 (P52/2010)



#### Reporting/Status Update

View claim status:

- By Claim Id number
- By Sales employee ID

Only have the capability to view your own claims

#### Super User Reporting Capabilities:

- By Claim Status
- To select more than one type of status, simply hold down the shift button while making your selections.
- Submitter Emp ID – As an option this field can be left blank in order to view a select group of claims.
- By date range

Claim reporting options not available at this time:

- The ability to pull claims by a specific group

12 10/2/2006



### Claim Status

Manual Claims

Manual Claims Manual Claims Manual Claims Manual Claims

Click here to create ENCL 1000 for the SAP Manual Claims



### URL Links

- **Manual Claim Information**

- Americas Sales Comp website: <http://americas-sales-comp.corp.hp.com>
- Sales Force Toolkit
- PIP Lite (located on the black toolbar)
- Manual Claim Portal

- **Manual Claim Guidelines Document:**

- Contains minimum threshold amounts
- Approval Levels
- Claim requirements

- **FY08 Manual Claim Quarterly Close Schedule**

- **Training Presentations**

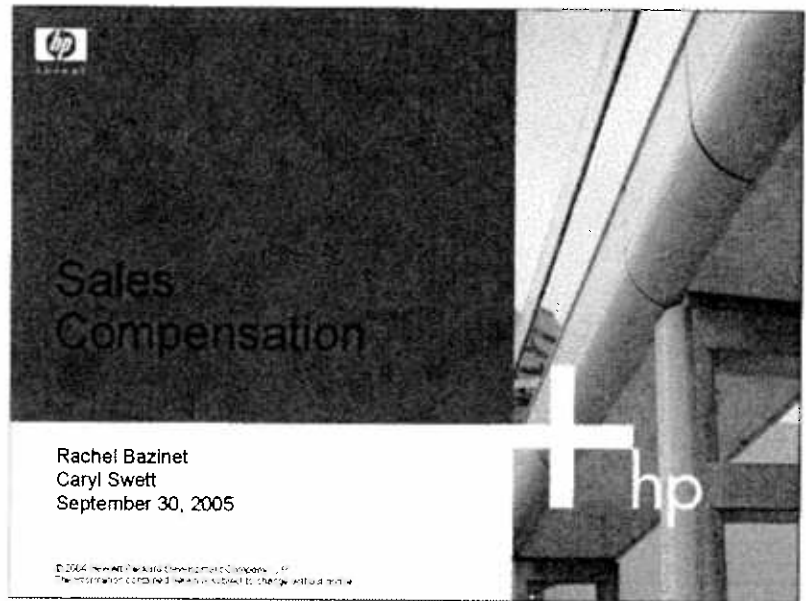
14 04/22/2006



## **EXHIBIT 22**



Presentation Title



Presentation Title

## Sales Compensation



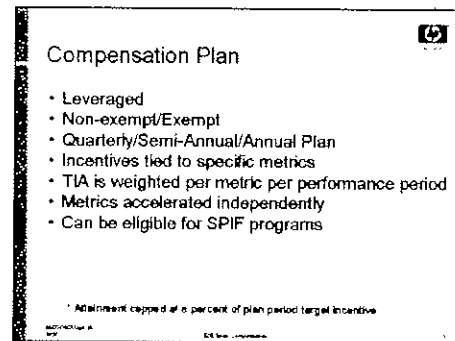
- Order has been placed
- Order has been shipped/invoiced
- How do I receive credit for this order
- How does that credit generate an incentive payment

06/22/2005 Sept 11  
2005


HP Sales Compensation

2

Presentation Title



Presentation Title



## Multipliers/Accelerators Example

- Acceleration schedule
  - POE 175
 

– 0% - 60.00%	x 0.75
– 60.01% - 100.00%	x 1.375
– 100.01% - 137.50%	x 2
– 137.51% - 175.00%	x 4
– 175.01% +	x 1
- Attainment capped at percentage of the plan period target incentive
- POE = Point of Excellence

All Examples in this document are for illustrative purposes only and may be fictitious

06/02/2005 Plan 10  
2005

ESB Sales Compensation

4

- This is an example of an acceleration table that is applied to your percent performance for each metric of your compensation plan. Briefly explain multipliers.

Presentation Title

## Math Behind the Multipliers Example




TIA for the year:	\$10,000	Multipliers/Accelerators
TIA for the Half:	\$ 5,000	0% - 60% x .75
Metric 1 = 50% of TIA	$\$5,000 \times 50\% = \$2,500$	60.0% - 100% x 1.375
Metric 2 = 25% of TIA	$\$5,000 \times 25\% = \$1,250$	100.0% - 137.50% x 2
Metric 3 = 25% of TIA	$\$5,000 \times 25\% = \$1,250$	137.50% - 175% x 4
		175%+ x 1
<b>Metric 1 = 100%</b>	<b>Metric 2 = 100%</b>	<b>Metric 3 = 100%</b>
$.60 \times .75 \times \$2,500 =$ <b>\$1,125</b>	$.60 \times .75 \times \$1,250 =$ <b>\$562.50</b>	$.60 \times .75 \times \$1,250 =$ <b>\$562.50</b>
$.40 \times 1.375 \times \$2,500 =$ <b>\$1,375</b>	$.40 \times 1.375 \times \$1,250 =$ <b>\$687.50</b>	$.40 \times 1.375 \times \$1,250 =$ <b>\$687.50</b>
Total Metric 1 <b>\$2,500</b>	Total Metric 2 <b>\$1,250</b>	Total Metric 3 <b>\$1,250</b>
	<b>Total Earned:</b> <b>\$5,000</b>	

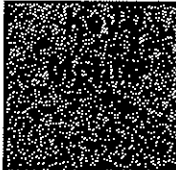



15/22/09 HP-Excel 15  
2009

EJE Sales Compensation

Presentation Title



## Omega? HP's Global Incentive Compensation Software Application

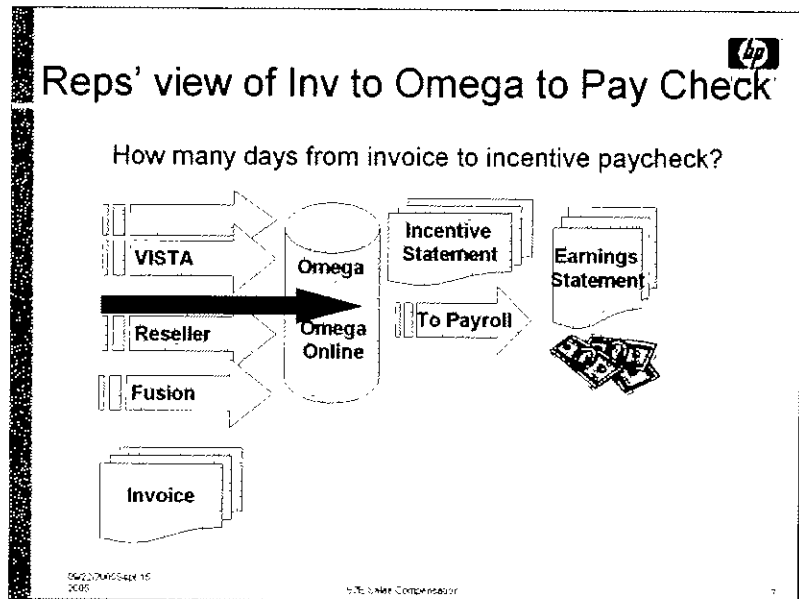
	<p>Reps' account &amp; sales plan affiliations; Valuation tables; Feed files from HR, Partner sales; Order Management system feeds etc.</p>
	<p>Allots sales credit to incentive employee based on reps' sales plan and affiliations.</p>
	<p>Calculates incentive pay based on sales credit, TIA, employee status etc.</p>
	<p>Gross Incentive Pay to Payroll</p>

HP00218080  
2005

HP's Global Incentive Compensation

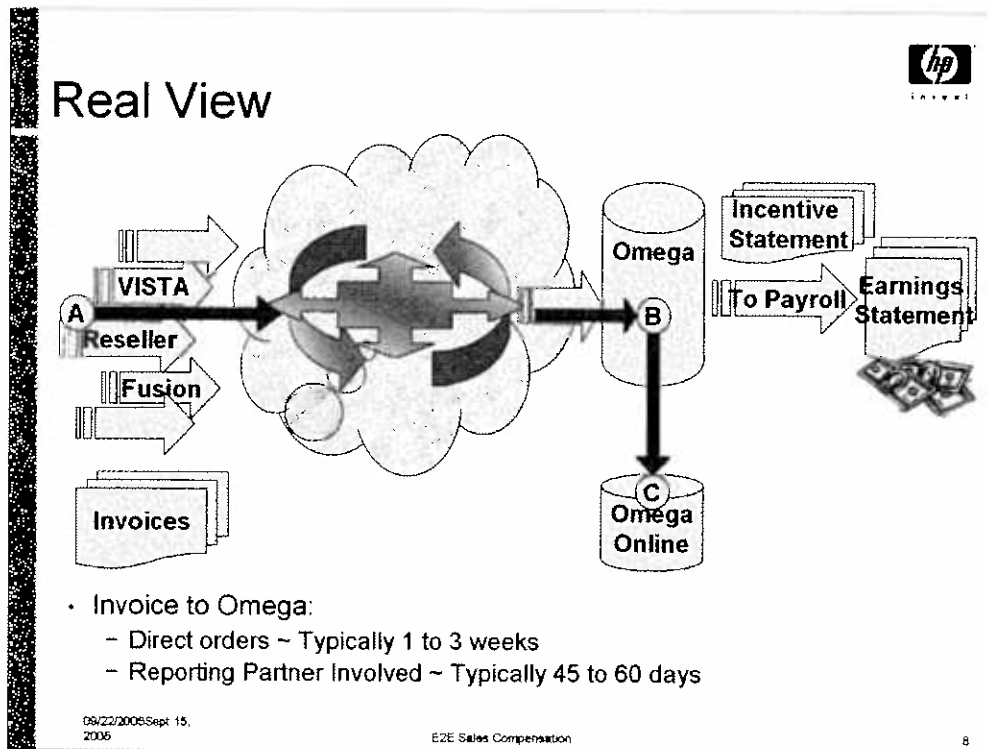
6

Presentation Title



- So now that you have shipped an order, learned how your comp plan will pay you.. how does that order get into Omega and then from Omega to the pay check. As a new employee you think it would only take a matter of days for an invoice to flow directly from the order systems into Omega.

Presentation Title



However it typically takes one to three weeks for direct invoices to flow to Omega and between 45 and 60 days for partner reported invoices to flow to Omega. This slide illustrates the many processes a transaction must flow through before it gets to Omega, such as matching the customer record, matching part numbers, not all involved systems update daily so time lags are involved.

The Omega the reps see is actually a snapshot in time of Omega. The snapshot is taken each Monday after Omega updates. The snapshot is accessible through Omega online.



Presentation Title

## Direct or Non-Reporting Partner Example



Example Timeline	Dates
Invoice Created with G35094 as end user	Fri Sept 30 <sup>th</sup>
Invoice matches end user directory (NCRF), part nos etc	9 days
Invoice ready for Omega	Sun Oct 9 <sup>th</sup>
Invoice included in Omega weekly update	Fri Oct 7 <sup>th</sup>
Visible in Omega Online in NY STL account	Mon Oct 10 <sup>th</sup>

NSC2008549115  
2007
SJE Cases Contribution
9

Presentation Title

## Reporting Partner or Agent Take Title Example



- OM system produces invoice either with G35094 Metro Transportation Authority or partner as end user
- System flags indicate reporting reseller involvement; invoice from HP's OM system does not flow.
- New York Local Government reps get credit for the order only when the partner reports the sale in their daily / weekly / monthly submissions.
- NCRF maps raw address of the transaction to New York Local Government account.
- Rep for New York Local Government gets credit.
- Timeframe: 45-60 days

10/2/2006/Sept 15  
2005

EDE Sales Compensation

10

Presentation Title

## Verifying Credit for an Order w/Omega Online



- Browse credits by customer name
- Drill-down to invoice detail
- Export credits to Excel
- Search for credits by Invoice, Customer Name, Month and more
- View overall performance percentages


06/27/2010 5:44 PM  
2005

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11

Assuming enough time has passed (3weeks / 45-60days) for the invoice to feed into Omega then the credit will be visible in Omega Online. You can browse the credits e.g. by customer name, you can drill-down to see more detail even individual invoices, you can export the credits en masse to Excel or if you have a specific invoice in mind you can search for credits by invoice number and more.

Presentation Title



**Browse <> Drill Down <> Export**

FY2005 Account Summary  
 Assignment \* YOUR TERRITORY HERE  
 Plan Component \* H1\_TSG\_PSGCOM for  
 Sales Specialty \* NSD  
 For Person \* YOUR NAME HERE

CUSTOMER NAME	CREDITED AMOUNT
ACADEMY OF THE	\$100,000.00
AL GHAZALY ELEMENTARY SCHOOL	\$79,000.00
ALEXANDER HAMILTON SCHOOL	\$73,154.10
ALLOWAY TOWNSHIP SCHOOL	\$145,410.00
ANN STREET SCHOOL	\$415,546.00
BARNEGAT HIGH SCHOOL	\$64,790.00
BD OF ED OF MONTGOMERY TWNSP	\$27,000.00
BD OF EDUC OF THE VOCATIONAL	\$66,436.00


  

CUSTOMER NAME	CUSTOMER ID	ORDER OR CONTRACT#	CREDITED AMOUNT
BD OF EDUC OF THE VOCATIONAL	ABC123	031234567	\$3,958.00
BD OF EDUC OF THE VOCATIONAL	ABC123	031234568	\$58.00
BD OF EDUC OF THE VOCATIONAL	ABC123	031234569	\$380.00
			\$4,436.00

09/23/2005 15:20:05  
 5.0E TSGP Compensation

- Browse Credits by Customer Name then drill down to view order number

Presentation Title

 hp

## Search for specific credits

**Transaction Selection**

Customer Name:	Customer Number:
Order Number:	Invoice Number:
P.O. Number:	Credit Period:
Partner Name:	Product Line:

Note:

1. To enter multiple values in a box separate each value by a comma.
2. To enter if a value contains asterisk (\*) use "\*" at "start" or "end".
3. To select multiple Product Lines press Ctrl key and click on each desired value.

**Report Format:**

☒ Use Standard Format

☐ Customized Format

(Select fields from the bar on the right hand)

**Available Data Fields (Fields):**

AMID

Account Type

Area

Assignment

Booking Charter

CLYBUS/L/let

Chair ID

Chair Name

Channel Code

Channel ID

City

Credit Ad. Reason




☒ Excel XLS

☐ Excel XML

**Show Data Columns (1):**

"Show" or select the field selected

☐ Show contents of list

04/22/2005 15:44:15  
 3505  
 EZE Data Compensation

Search criteria window. Search by invoice number or customer name or po number or product line etc.

Presentation Title



## Missing credit resolution

Manual Claims enable crediting of missing items .

1. Wait 60 days to file a manual claim when a reporting partner is involved (2<sup>nd</sup>/3<sup>rd</sup> party) as it may take 60 days to feed.
2. Wait 3 weeks if order is visible in HP's OM systems and reporting partners are not involved as it should feed.
3. If the order was placed with the non-reporting reseller outside HP's order systems then it will not feed so file a manual claim without waiting.

<http://americas-sales-comp.corp.hp.com/manual%20claims.asp>

Manual Claims require appropriate backup documentation, have minimum thresholds and only field reps should submit claims.

06/27/2005 - April 15  
2005

HP Sales Compensation

14

Presentation Title



## Overall Performance Example

FY2005 INDIVIDUAL PERFORMANCE			
By Period * 10/2005, Cumulative			
Sales Specialty * NSD			
For Person * YOUR NAME HERE (ID=0000000)			
Plan Component	Actual	Goal	Ratio
H1 TSG PM PSGCOM PM	\$6,005,976.28	\$5,445,181.35	110.30%
H1 VIEW PSGCOM PM	\$4,079,218.62	\$3,238,901.72	125.94%
H1 VIEW TSG PM	\$1,926,757.66	\$2,206,279.64	87.33%
H1 TSG PSGCOM	\$4,012,486.22	\$3,340,963.08	120.10%
H1 VIEW PSGCOM	\$3,372,583.03	\$2,591,121.23	130.16%
H1 VIEW TSG	\$639,903.19	\$749,841.86	85.34%
H1 VIEW BUSPCPM	\$1,862,032.48	\$0.00	0.00%
H1 VIEW CI	\$0.00	\$0.00	0.00%
H1 VIEW CIPM	\$0.00	\$0.00	0.00%
H1 VIEW COMNTBKPM	\$1,559,190.73	\$0.00	0.00%
H1 VIEW ESS	\$526,950.37	\$682,130.72	77.25%

09/22/2005 15:24:15

CRB Sales Compensation

15

- Omega Online also shows overall performance. This information is needed when using the Cash Calculators to estimate the pay value of all your credits.

## Presentation Title

There are indented boxes in the cash calculator. These are the only areas where you can change or add data. In the top 2 boxes you can input your yearly TIA, and how many months your plan is, i.e., quarterly, semi-annual, or annual. The bottom boxes are where you enter performance from your OMEGAonline Individual Performance Report.

HP Confidential  
This is a Targeted Estimate Only

<http://americas-sales-comp.corp.hp.com>

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2005

HP Sales Compensation




Presentation Title



The cash calculator is used to estimate plan period earnings. To see the actual plan period earnings, Omega Incentive Statements are available through a tool called GIS Global Incentive Statement. As Omega operates in arrears the July Statement is paid in the August 31<sup>st</sup> check.

Presentation Title

## Global Incentive Statement (GIS) Example



---

**Employee Information:**  
 Employee ID: 12345678  
 Name: J. DOE  
 Title: Sales Representative  
 Division: Sales  
 Effective Date: 01/01/2009

**Contract Information:**  
 Contract ID: 123456  
 Contract Start Date: 01/01/2009  
 Contract End Date: 12/31/2009

**Target Information:**  
 Target Sales: \$1,000,000  
 Target Incentive: \$100,000  
 Target Commission: 10.00%

**Actual Information:**  
 Actual Sales: \$1,200,000  
 Actual Incentive: \$120,000  
 Actual Commission: 10.00%

**Current Sales Summary:**  
 Period: 01/01/2009 - 12/31/2009  
 Sales: \$1,200,000  
 Incentive: \$120,000  
 Commission: 10.00%

**Global Incentive Statement Summary:**

Component	Period to Date	Next Month
<b>Sales Incentive</b>		
Target Sales	\$1,000,000	\$1,000,000
Actual Sales	\$1,200,000	\$1,200,000
<b>Total Sales Incentive</b>	\$120,000	\$120,000
<b>Commission</b>		
Target Commission	\$100,000	\$100,000
Actual Commission	\$120,000	\$120,000
<b>Total Commission</b>	\$120,000	\$120,000
<b>Total Incentive</b>	\$240,000	\$240,000

**Global Incentive Statement Details:**

Component	Period to Date	Next Month
<b>Sales Incentive</b>		
Target Sales	\$1,000,000	\$1,000,000
Actual Sales	\$1,200,000	\$1,200,000
<b>Total Sales Incentive</b>	\$120,000	\$120,000
<b>Commission</b>		
Target Commission	\$100,000	\$100,000
Actual Commission	\$120,000	\$120,000
<b>Total Commission</b>	\$120,000	\$120,000
<b>Total Incentive</b>	\$240,000	\$240,000

This document is for informational purposes only. Please refer to your company's Global Incentive Statement for more details.

06/22/2009 15:00:00  
 E:\E:\C:\C:\C:\C\

Reps on plan can view the paying components to see the makeup of their incentive pay.  
 Since you are on guarantee your GIS won't be as interesting until you go on plan.

Presentation Title



## Guarantee Policy

- Base + 100% target incentive paid for the designated period.
- Paid via "NEW" Omega Sales Specialty Code from date incentive job code is assigned until active in incentive plan.
- The standard timeframe for payment at 100% target incentive is 2 full calendar months, or until required business training is complete. Partial months for employees hired mid-month will also be paid at 100% target incentive.

09/22/2009 Sept 15  
2010

EXE Sales Compensation

19

Presentation Title



## Guarantee Policy

- May be assigned to incentive plan as early as the first of the month following payment at 100% target incentive (whether on quarterly, semi-annual or annual plan).
- Employees hiring into or transferring into sales roles can only be assigned to a sales incentive plan at the first of a given month. Partial month prior to assigned effective date will be paid as "new" at 100% target incentive.

2007/2008/2009/2010/2011  
2011

HP Sales Compensation

20

Presentation Title

## What makes up the monthly pay check? Example



- Sept 15 - Base Pay Only
- Sept 30 - Base Pay + Guarantee/Incentive Payment for August
- Oct 15 - Base Pay Only
- Oct 31 - Base Pay + Guarantee/Incentive payment for September
- Nov 15 - Base Pay Only
- Nov 30 - Base Pay + Guarantee payment for October

HP0200015 April 15  
2005

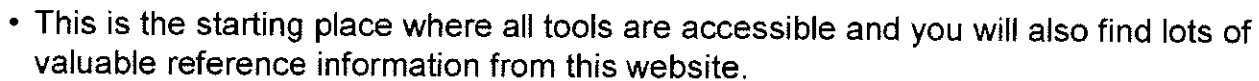
EXC. Compensation

21


Presentation Title

# Tools, Resources and Contacts





Presentation Title



## Personal Information Page (PIP)

- One stop shopping for Sales Employees for current Sales Compensation information
  - Roster information
  - Incentive Statement
  - Goal Sheet
  - FSO information
  - Metric slides
  - Sales Plan documentation
  - Incentive Pay Administration Policy
  - Incentive Credit Administration Policy
  - CASH Calculator
- Accessed from PIP button at top right of SCO website:  
<http://americas-sales-comp.corp.hp.com/index.asp>

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2009

SCO Sales Compensation

24

- The PIP is accessible from the Sales Comp Website .....



25

Presentation Title



## Resources

- **Sales Compensation Support Center** – Primary contact for sales team for all crediting inquiries, manual claims and payment issues
- **Phone: 800-244-1407**
- **Email: [Sales.Compensation.Support.Specialists@hp.com](mailto:Sales.Compensation.Support.Specialists@hp.com)**
- Subject line should include business segment to speed routing and resolution
- **Sales Compensation Support Specialist** – primary contact for all sales compensation issues, logs, tracks, and communicates status on issues through resolution, monitors and reports trends, communicates to sales on class issues (issues that impact the full sales population).
- **Segment Account Consultant** - performs as the primary contact for rostering and goal sheet setup and deployment, proactively reviews and manages early warning reports (i.e. overachievement), provides sales executive and AVP support, generates pay and credit adjustments, manages exception processing and escalations from the support center.

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2009

EXE Sales Compensation

26

- Define roles
- Compensation Consultants
- Reporting Team
- Payroll

Presentation Title

## Where Do I Go When I Have A Question?



CATEGORY	QUESTION	DIRECT QUESTION TO
Base Pay	Who can answer questions regarding my base pay?	Your Manager
Comp Plan	Who can explain how my comp plan works?	Your Manager
Vacation	Something is wrong with my vacation pay	Payroll (866) 372-2034
Taxes	Who do I contact regarding taxes withheld on my pay check?	Payroll (866) 372-2034
Timecard	Something is wrong with my hours worked. Where is my OT?	Payroll (866) 372-2034

NOT FOR RELEASE  
2006
EOE/AAE/ADA/DFW
27

Presentation Title

## Where Do I Go When I Have A Question?



Category	Question	Direct Question To
Stocks / 401K	Who do I contact to increase my 401K contribution? Stocks?	Employee Benefits via HR Portal
Territory	What area(s) do I cover? What areas do I get credit for?	Your Manager
Goals	How are my goals determined?	Your Manager
Goal sheet	How can I view my goal sheet?	<a href="http://americas-sales-comp.corp.hp.com">http://americas-sales-comp.corp.hp.com</a> [Sales. Compensation. Support.Specialists@hp.com] 800-244-1407

02/27/2009 09:28 AM

20/26

ESE Sales Compensation

25

Presentation Title

## Where Do I Go When I Have A Question?



Category	Question	Direct Question To
Actuals	My actuals don't look correct. How can I find out what I got credit for?	OMEGAonline [Sales.Compensation. Support.Specialists @hp.com] 800-244-1407
Pay Calendar	Where do I find the Incentive Pay Calendar to see when I will be paid?	<a href="http://americas-sales-comp.corp.hp.com">http://americas-sales-comp.corp.hp.com</a>
SPIFF	My SPIFF wasn't paid / wasn't the right amount.	Your Manager
	My SPIFF amount doesn't match my paycheck	Your Manager

09/22/04-ESep11  
2005

EJS Sales Compensation

29

Presentation Title

## Where Do I Go When I Have A Question?



Category	Question	Direct Question To
Commissions	My commission wasn't paid / isn't the right amount My commissions don't match my paycheck	<b>[Sales.Compensation.Support.Specialists@hp.com]</b> <b>800-244-1407</b>
GIS Statement	How can I access my Global Incentive Statement (GIS)? Who can walk me through the information?	<a href="http://americas-sales-comp.corp.hp.com">http://americas-sales-comp.corp.hp.com</a> Your Manager <b>[Sales.Compensation.Support.Specialists@hp.com]</b> <b>800-244-1407</b>

75/22/0065/04/11  
2015

EVE Color Compensation

X

Presentation Title

## Where Do I Go When I Have A Question?



Category	Question	Direct Question To
Cash Calculator	How can I access the Cash Calculator?	Via PIP (personal information page) link on the compensation website.
	How do I use the Cash Calculator?	Your Manager
PIP Page (Personal Information Page)	Who do I contact when the information on this page is not correct?	[Sales.Compensation.Support.Specialists@hp.com] 800-244-1407

HP-2005-01-10  
2010
ESE Cash Compensation
31

Presentation Title

## Where Do I Go When I Have A Question?



Category	Question	Direct Question To
Job Changes	What happens with my incentive pay when I go on disability/leave of absence/change jobs/leave HP?	Your Manager [Sales.Compensation. Support.Specialists @hp.com] 800-244-1407
Tools	Who do I contact when I cannot access my statement, the PIP page or the Cash Calculator?	[Sales.Compensation. Support.Specialists @hp.com] 800-244-1407

7/4/2009 15:54:11  
2009

EJE Sales Compensation

32



Presentation Title

## Where Do I Go When I Have A Question?



Category	Question	Direct Question To
Order Valuation	Why is the credit value different from the invoice value?	1H06 Plan Rollout presentations / older docs on SCO website
Product Lines	Which paying component will product "x" appear under?	2005 Product Line Reference Table < <a href="http://americas-sales-comp.corp.hp.com/2005_Prod_line_Ref.xls">http://americas-sales-comp.corp.hp.com/2005_Prod_line_Ref.xls</a> >
Sku Reference	Can we get credit for this third party sku?	Sku reference on SCO website <a href="http://americas-sales-comp.corp.hp.com/SKU.asp">http://americas-sales-comp.corp.hp.com/SKU.asp</a>

06/23/2005 Page 15  
2005

E.E. Sales Compensation

22

Presentation Title

## Where Do I Go When I Have A Question?



Category	Question	Direct Question To
Policies	Can I read the Sales Compensation Policies?	SCO Website <a href="http://americas-sales-comp.corp.hp.com">http://americas-sales-comp.corp.hp.com</a>
Account Hierarchies	Which account does this customer belong to?	NCRF account lookup <a href="http://ckm-ap01/ncrf/">http://ckm-ap01/ncrf/</a> <a href="http://ckm-ap01/ncrfsrch/first.htm">http://ckm-ap01/ncrfsrch/first.htm</a>
Reporting and Non reporting resellers	Where is my credit for this shipment?	Manual Claim Portal <a href="http://americas-sales-comp.corp.hp.com/manual%20claims.asp">http://americas-sales-comp.corp.hp.com/manual%20claims.asp</a> List of Reporting Resellers <a href="http://pim.boi.hp.com/reports/k/Channel_Partner_Reporting_Resellers.xls">http://pim.boi.hp.com/reports/k/Channel_Partner_Reporting_Resellers.xls</a>

09/27/2009 4:15 PM

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34

Presentation Title

## Appendix



Presentation Title



## Fiscal Calendar

- Q1
  - November
  - December
  - January
- Q2
  - February
  - March
  - April
- Q3
  - May
  - June
  - July
- Q4
  - August
  - September
  - October

Aug 22 2009 / Sep 15 2009

EDP Sales Compensation


36

Presentation Title

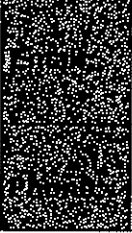
## QUESTIONS



Presentation Title



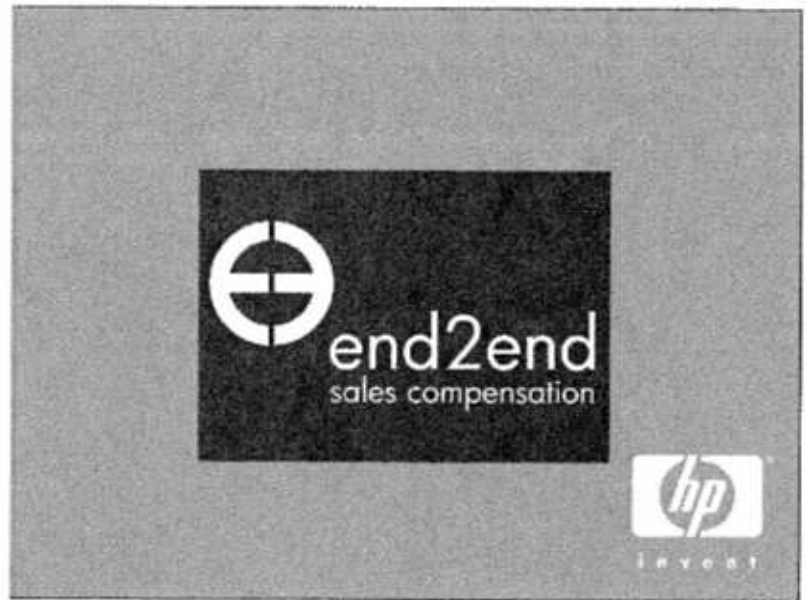
## Sales Support Center

First point of contact for all sales inquiries	
	Sales.Compensation.Support.Specialists @hp.com
	800-244-1407

<http://americas-sales-comp.corp.hp.com/>

06/22/2009 5:44:15  
2009EJE Sales Confidential38

Presentation Title



## **EXHIBIT 23**



DEPOSITION  
EXHIBIT

80

----- Original Message -----

**Subject:** HP - IOC Meeting Summary 6-24-09.docx

**Date:** Wed, 24 Jun 2009 17:15:14 -0700

**From:** Jeff Brugos <[jeff.brugos@oracle.com](mailto:jeff.brugos@oracle.com)>

**To:** Brad Scott <[brad.scott@oracle.com](mailto:brad.scott@oracle.com)> , [scott.parker@oracle.com](mailto:scott.parker@oracle.com) <[scott.parker@oracle.com](mailto:scott.parker@oracle.com)> ,  
[mike.overly@oracle.com](mailto:mike.overly@oracle.com) <[mike.overly@oracle.com](mailto:mike.overly@oracle.com)> , [trevor.templar@oracle.com](mailto:trevor.templar@oracle.com)  
<[trevor.templar@oracle.com](mailto:trevor.templar@oracle.com)>

Attached is a summary of the meeting that Brad and I had yesterday at HP regarding OIC. Some of you have had previous meeting with HP on this topic and will be able to provide additional insights during our call. The purpose of the call is to review the meeting conclusions and agree on an internal plan on how to move forward.

The call logistics:

Call in: 888-967-3353

ID and PC: 795019

Time: 7 am PT (9 am CT)

Duration: 30 minutes +

Jeff

## HP

## Summary of Incentive Comp Meeting on June 23, 2009

Below is a summary of the meeting Brad Scott and I had with HP on Incentive Comp (IC) that was set up at the request of Randy Runk. The meeting was attended by Randy, Gerald Wright (VP Worldwide Sales Performance), Shauna Della (VP IT), John from Germany working on the IC Hub strategy, and two others from HP (Tim and Bob).

1. Meeting Purpose – Randy asked for the meeting to see if Oracle IC might be a solution for addressing the major problems they have been experiencing with their current system. Per Randy, in many instances, it is taking over 8 months to pay some sales people.
2. Current IC System – Their current system (called Omega) is based on a Baan application that has been heavily customized by HP. Omega is used worldwide and is to calculate commissions for hardware, software and services sales. Over 22,000 reps are paid worldwide from Omega; 2000 more to be added from EDS in the future.
3. Callidus Status - They tried to replace Omega with Callidus, but HP concluded that it did not scale (performance was too slow).
4. Major Challenges and Problems with Current IC solution:
  - a. Fragile and heavily modified IC calculation engine (Omega)
  - b. Omega more than an IC engine; serves as an "Order Management" in some cases
  - c. Multiple feeds (over 170 worldwide), including feeds from channel partners, into Omega
  - d. Data consistency and integrity issues from the multiple feeds (HP working on an MDM strategy)
  - e. Multiple and complex comp plans (over 600 currently with plans to reduce to 300)
  - f. Operational complexities (e.g. the sequencing of feeds is critical to the accuracy of the calculations)
  - g. More manual effort than desired to make system work
  - h. Lacking adequate reporting and analytics capability (but not considered a high priority)
5. Questions HP has about an Oracle IC Solution:
  - a. Are we committed to investing in IC? How strategic is OIC to Oracle?
  - b. Who are our major customers and what are their use metrics and experience?
  - c. Do we have the functionality to address their complex plans?
  - d. Can we scale, given their volumes and complexity?
6. Major Conclusions from Meeting
  - a. Just doing an initial OIC POC is probably not the right approach.
  - b. We needed to evaluate the entire solution architecture and not just focus on the IC engine. This included the MDM strategy, AIA strategy, and process evaluation/simplification.
  - c. We needed to work with HP's IT and business team to better understand the "as is" and "to be" processes and architecture.
  - d. Prior to doing that, we agreed as the first step to provide HP (Shauna) with a list of OIC customers and associated key metrics and possibly providing a briefing on Oracle's uses of OIC.
  - e. As a second step, HP (Shauna) agreed to share additional IC systems information with us.
  - f. At some point (likely third step), a CVC would be useful to address our OIC capabilities/roadmap, MDM (CDH) offerings, AIA, and our Reporting and Analytics capability.
  - g. As a fourth step, a POC would need to be done to prove we can handle the complex rules and scale.
7. Challenges
  - a. HP may not freely share all the information we need (their MDM proposed solution, for example)
  - b. HP IT may drag this discovery out (Shauna proposed Aug for next meeting); Randy wants sooner.

6-24-09

----- Original Message -----

**Subject:**RE: HP - Incentive Comp

**Date:**Thu, 2 Jul 2009 17:15:50 -0700

**From:**Jeff Brugos <[jeff.brugos@oracle.com](mailto:jeff.brugos@oracle.com)>

**To:**Runk, Randall <[randall.runk@hp.com](mailto:randall.runk@hp.com)>

**CC:**Brad Scott <[brad.scott@oracle.com](mailto:brad.scott@oracle.com)>

**References:**<20090702105247844.00000002424@jbrugos-us>

<[DDFFF4D8159CAA4881A60FDDAEA4E548169CFC75CC@GVW0671EXC.americas.hpqcorp.net](mailto:DDFFF4D8159CAA4881A60FDDAEA4E548169CFC75CC@GVW0671EXC.americas.hpqcorp.net)>

Thanks Randy.

Have a July 4<sup>th</sup> weekend.

Jeff

---

**From:** Runk, Randall [<mailto:randall.runk@hp.com>]

**Sent:** Thursday, July 02, 2009 10:57 AM

**To:** Jeff Brugos

**Subject:** RE: HP - Incentive Comp

Jeff,

Not sure of why Shauna was not on the invite list....Gerald Wright set up the meeting. You may want to have Trevor feedback to Shauna that Gerald drove for the meeting and was responsible for the invite list...I was not nor were you guys.

On the request below, send the doc to all that were in the meeting. I do not recall the names of the folks from Europe, but send to Shauna, Gerald Wright, me, and Bob Slaby.

Randy

Randall C. Runk  
Senior Vice President- US Sales  
Technology Solutions Group  
Hewlett-Packard Company

Executive Assistant:  
[marnie.nelson@hp.com](mailto:marnie.nelson@hp.com)  
Tel: 972-605-8359

---

**From:** Jeff Brugos [<mailto:jeff.brugos@oracle.com>]  
**Sent:** Thursday, July 02, 2009 10:53 AM  
**To:** Runk, Randall  
**Subject:** HP - Incentive Comp

Randy,

Per Trevor Templar (ASM), Shauna was a little upset that she was "blindsided" and not invited to the meeting we had early with you (although she was there). Per the HP team, I understand she has not been responsive to prior OIC request, which we made a couple of months ago.

I am ready to send her our response on (1) Oracle's commitment to IC and (1) a list of our larger user base with associated metrics. I do not know the politics on this within HP, So should I cc or bcc on my email back to Shauna. And who else should I copy? Gerald?

I have attached an advanced copy of the letter I plan to send if you want to provide any comments before I send it out.

Jeff

## ----- Original Message -----

**Subject:** Oracle Incentive Comp - Answers to Questions**Date:** Thu, 2 Jul 2009 22:43:36 -0700**From:** Jeff Brugos <[jeff.brugos@oracle.com](mailto:jeff.brugos@oracle.com)>**To:** [shauna.della@hp.com](mailto:shauna.della@hp.com) <[shauna.della@hp.com](mailto:shauna.della@hp.com)>**CC:** Runk, Randall <[randall.runk@hp.com](mailto:randall.runk@hp.com)> , Wright, Gerald <[gerald.wright@hp.com](mailto:gerald.wright@hp.com)> , Slaby, Bob<[bob.slaby@hp.com](mailto:bob.slaby@hp.com)> , Oliver, Jon <[jon.oliver@hp.com](mailto:jon.oliver@hp.com)> , [brad.scott@oracle.com](mailto:brad.scott@oracle.com)<[brad.scott@oracle.com](mailto:brad.scott@oracle.com)> , [trevor.templar@oracle.com](mailto:trevor.templar@oracle.com) <[trevor.templar@oracle.com](mailto:trevor.templar@oracle.com)>**References:** <3DFF9AA29043B14A8448A0D28715D56B73CAE94E43@GVW0433EXB.americas.hpqcorp.net>

Shauna,

HP has asked Oracle to address some question regarding our Incentive Compensation offering prior to engaging on further discovery or a ROC. This email addressed those initial questions.

**1. How strategic is Incentive Compensation to Oracle?**

- a. Incentive Compensation is a strategic application to Oracle and is included in first release of our new Fusion offering.
- b. Oracle Incentive Compensation (OIC) is the going-forward foundation for all product families: EBS, Siebel & PeopleSoft. After the acquisition of both PeopleSoft and Siebel, Oracle decided OIC met the marketplace requirements best. The decision was also based on functionality, scalability and installed base of customers.

**2. What is our current roadmap and planned investment in OIC?**

- a. Oracle has just release version 12.1 of the OIC module. We are currently developing additional functionality including:
  - OIC Oracle Business Intelligence (OBI);
  - Siebel to OIC Process Integration Pack (PIP); and
  - Several desktop Gadgets for salespeople reporting

- b. Additional functionality on the current roadmap:
- Goal sheet application;
  - Payroll PIP; and
  - Several other enhancements requested from our installed base or the Customer Advisory Board (CAB).

We would invite HP (once in production with OIC) to replace Sun Microsystems on the CAB so you can directly influence the product direction.

**3. Who are some of our larger OIC customers?**

The matrix below summaries some of our larger representative customers and their corresponding metric which you requested.

Company Name	Payees	Transactions	Misc Notes
Cisco Systems	15,000 Global	9 million per month	Live on calc, implanting Sales Crediting -- Transaction volume will increase significantly once live of SC
Dell	8,000 Global	Varies; millions per day	6 month retro calc
Financial Services Company*	35,000	Up to 20 million per day	Varies based on market volume
Best Buy	110,000	Unknown	High payee turnover
JC Penney	200,000	Varies; 2 to 4 million per day	Volume spikes with holiday sales
Financial Services Company (1)	300,000		

Since introduced in 1997, OIC customers base has grown significantly and we are now the largest provider of Incentive Compensation systems. We currently have over 350 customers in production. This is the number of "production" customers, not just ones who have a license. We have also grown the number of payees from 400,000 at the end of FY 07 to over 1,200,000 at the end of FY 09.

Appropriately, performance is also a major concern for HP. We believe we can handle high volumes as well as anyone. We understand a number of factors impact the scaling of any Incentive Compensation system, such as hardware size, partitioning strategy, custom indexes and approaches taken when creating compensation plan rules. We have designed features into OIC to make the system work as efficiently as possible. These features include batch size options, multi-threaded processing techniques, Incremental Calculation mode, and options on how much to process and when. We should also note that the core processing all takes place in the Oracle database in SQL processes. Compensation rules are generated in PLSQL packages to run natively in the database. Oracle OIC has many large customers and is recognized by analysts as a leader in this area.